
Committee Meeting

of

SENATE STATE GOVERNMENT, WAGERING, TOURISM, AND HISTORIC PRESERVATION COMMITTEE

*“The Committee will receive testimony from invited speakers on the topics of agritourism
and shore tourism”*

LOCATION: Council Chambers
Egg Harbor Township
Municipal Building
Egg Harbor Township, New Jersey

DATE: October 6, 2025
11:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator James Beach, Chair
Senator Nilsa Cruz-Perez
Senator Paul D. Moriarty
Senator Vincent J. Polistina

ALSO PRESENT:

Mary Lawlor
Office of Legislative Services
Committee Aide

Juan Flores-Serrano
Senate Majority
Committee Aide

Christine Dobisch
Senate Republican
Committee Aide



Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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Chair

John F. McKeon
Vice-Chair

Shirley K. Turner
James W. Holzapfel
Vincent J. Polistina

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NEW JERSEY LEGISLATURE

SENATE STATE GOVERNMENT, WAGERING, TOURISM AND HISTORIC PRESERVATION COMMITTEE

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COMMITTEE NOTICE

TO: MEMBERS OF THE SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

FROM: SENATOR JAMES BEACH, CHAIRMAN

SUBJECT: COMMITTEE MEETING - OCTOBER 6, 2025

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The Senate State Government, Wagering, Tourism & Historic Preservation Committee will meet on Monday, October 6, 2025 at 11:00 AM in the Council Chambers at the Egg Harbor Township Municipal Building, 3515 Bargaintown Road, Egg Harbor Township, New Jersey, 08234.

The committee will receive testimony from invited speakers on the topics of agritourism and shore tourism.

Issued 9/29/25

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SENATOR JAMES BEACH (Chair): Good morning everyone, and welcome to State Government.

We always lead off State Government with the Pledge of Allegiance, if everyone would please stand. And, I would ask U.S. Army Sergeant Retired Nilsa Cruz-Perez to lead us in the Pledge of Allegiance.

Sergeant?

(Pledge of Allegiance recited)

SENATOR BEACH: So, the first order of business is to thank Senator Polistina -- his Chief of Staff Joe Berg -- for securing the Council Chambers here in Egg Harbor Township.

I asked Joe if he could get a place, make sure we have a lot of parking. I *didn't* mean parking for police cars.

(laughter)

But, that's OK, Joe, thanks. No, but, thank you. Um-- OK. We have to have roll call.

MS. LAWLOR: Senator Polistina.

SENATOR POLISTINA: Here.

MS. LAWLOR: Senator Holzapfel is absent.

Senator Moriarty.

SENATOR MORIARTY: Here.

MS. LAWLOR: Senator Cruz-Perez.

SENATOR CRUZ-PEREZ: Present.

MS. LAWLOR: Chairman Beach.

SENATOR BEACH: Here.

MS. LAWLOR: You have a quorum.

SENATOR BEACH: Thank you.

So, we're just-- This is not a voting meeting, not an action meeting, so we're not having participation from the public. So, what we are doing is we are-- We have invited speakers. If someone has something to say or a question, please wait until all the speakers are finished, and then I can talk to you out in the hall.

That was a joke.

(laughter)

Our first speaker is Tariq Khan. Tariq here? Thank you, Tariq.

T A R I Q K H A N: Chairman Beach--

SENATOR POLISTINA: I think you need to hit the button on the right.

Yup, there you go.

SENATOR BEACH: There we go.

MR. KHAN: Chairman Beach, Senator Moriarty, Senator Cruz-Perez, Senator Polistina, and all other distinguished guests and members and those in attendance, good morning.

ALL: Good morning.

MR. KHAN: My name is Tariq Khan, a Senior Economist with Tourism Economics, and it's a privilege to address you today on the economic impact of visitors to New Jersey, an analysis I have led for the past three years.

Tourism Economics is based in Wayne, Pennsylvania, and, for nearly two decades, we have utilized data and sophisticated economic modeling techniques to help destinations across the world, including 25 U.S. states, estimate and demonstrate the value of visitors to their local economies. For New Jersey, we've partnered with the State's Division of Travel and

Tourism to quantify the impacts of the industry for over 10 years. So, to quickly outline our approach, we built a custom model for the State of New Jersey to measure visitor spending patterns here, and capture unique economic characteristics of the state. This involves a compilation of all relevant data sets as inputs to the model, using these to complement and to cross-check one another. That data includes industry standard sources; visitor survey data; as well as government data, including the New Jersey Treasury, U.S. Census Bureau, Division of Gaming, and the BEA. Certainly a rich array of data sets that are credible, and is used to validate findings and ensure our own estimates are reliable. And, from our analysis over the years, it is clear: Tourism is integral to the State's economy. So, now, get ready for a bunch of statistics. In 2024, we estimated that New Jersey welcomed 124 million visitors, a 2.7% increase over the prior year. Now, the majority are day visitors, nearly 70 million, compared to 54 million overnight visitors, of which international guests total over 2.1 million. A segment that remains below 2019 (indiscernible) at the national level, but has fully recovered for New Jersey since 2023.

Now, these visitors also spend on a variety of things including accommodation; food and beverage; shopping; transport; entertainment. And, in 2024 they spent a combined \$50.6 billion at businesses located right here in New Jersey. That's approximately \$139 million spent every day on average, and, overall, the average visitor to New Jersey spent \$409 on their trip. The largest share of visitor spending is on food and beverage at 28%, followed by lodging industry, which accounts for \$13.5 billion in spending alone. And, visitors traveled to New Jersey for different purposes, of course. So, when we consider spending by leisure travelers, that represented 92% of

all visitor spending. Yet, business travelers to New Jersey are also an important segment when you consider the remaining 8% left over represents \$4.1 billion in spending alone. So, then, on this now, building our spending model, we developed an input/output economic model to then trace the flow of visitors through the local economy and its effects on businesses; households; as well as the government. And, what begins with visitor spending, in those traditional tourism industries like lodging; like food and beverage; entertainment; that then manifests and multiplies throughout the rest of the economy to generate important impacts in other nontraditional sectors like wholesale trade; like communication services; and even agriculture. And, according to our estimates, visitor economy spending stimulated an additional \$14 billion in indirect business-to-business sales, such a hotels purchasing insurance; or hiring cleaning services; or a restaurant paying for produce. Then, there's another \$13 billion on top of that that's stimulated by the induced sales from the spending of wages of workers in the local economy. So, their earnings that are supported by tourism, it trickles back as workers purchase groceries, clothing, gas. So, altogether, that direct plus indirect and induced sales, total \$80 billion in economic activity in New Jersey. And, then, when converted to value-added terms, the impact of visiting economy is equivalent to 5.2% of State GDP.

But, it doesn't stop there. Visitor spending on businesses also supports jobs here. And, in 2024, that totaled 345,000 direct jobs. And, when considering the additional indirect and induced jobs that visiting economy spending supported, a total of 508,000 in employment, including over 152,000 in food and beverage industry alone, that's equal then to 8.3% of all jobs, or one in every 12 jobs in the state, while the income generated

by these jobs totaled \$26 billion for households. And, all this economic activity, of course, stimulates and generates Federal, State, and local government revenues through income, corporate, sales, and bed taxes to name a few. And, state and local taxes alone totaled \$5.4 billion in 2024, revenues that remain long after visitors leave, helping to support public services. So, in some context here, without tourism, each household in New Jersey would need to be taxed an additional \$1,500 to replace the visitor-generated taxes received by state and local governments. And, as additional context, this \$5.4 billion is enough to cover the starting salaries of nearly 83,000 public school teachers in New Jersey.

So, it's clear: Tourism plays an important role in the vitality of New Jersey's economy. Now, in our analysis, it also estimated the impacts at the county level. And, visitors right here in Atlantic County account for nearly 20% of all visitors in the state, with visitor spending totaling \$8.2 billion, supporting 55,000 jobs -- the largest of any county. That's also then followed by Cape May, at \$8.1 billion, with 32,000 jobs. Tourism impacts were also estimated for other counties, with most witnessing steady growth in 2024. From the mountains to the cities to the shores, highlighting the importance and diversity of tourism in the tourism industry across the state.

So, in closing, I would like to invite you to take a look at the report that's available online, and as is the case nationwide, by monitoring these statistics for the visitors' economy, policymakers can inform their decisions regarding funding and prioritization of the sector's development. This is particularly important for New Jersey, as it builds upon its own visitor economy. Thank you, and I'm happy to answer any questions.

SENATOR BEACH: Tariq, yes.

Any questions from the Committee?

I think it's incredible, these statistics. I think I'm in the wrong business.

(laughter)

Any questions, Senator? You're from down here.

SENATOR POLISTINA: Well--

(laughter)

I am from down here; 20% of all spending in the state. First, just to thank you for coming to Egg Harbor Township, my hometown. It is wonderful to have the Committee here and hear about the impacts of tourism in Atlantic County. You just mentioned there's a report online; I don't know if you gave us the website to find it.

MR. KHAN: I sent the link over--

SENATOR POLISTINA: OK.

MR. KHAN: --and, I can always follow up after, I can send that.

SENATOR POLISTINA: OK.

If you could, the link to the report so we can take a look at that, yes.

SENATOR BEACH: Juan-- I asked Juan.

He has the info and he'll make sure that all the Senators get it. With your permission, I've also asked him to put out a press release--

SENATOR POLISTINA: Awesome.

SENATOR BEACH: --for all of us.

SENATOR POLISTINA: Thank you.

SENATOR BEACH: Tariq, thank you so much, very informative.

MR. KHAN: Thank you so much.

SENATOR BEACH: Appreciate it.

Did you-- I didn't hear the ratio of how much money we actually spend in New Jersey on tourism, and what that ratio is that comes back. Have you figured that out yet, or is that something you might have, or did I miss it?

MR. KHAN: So, in terms of how much people from New Jersey spend elsewhere?

SENATOR BEACH: No, I want to know how much does the State invest in tourism, and what is our return?

I mean, obviously, the return is great, and I know we're going to hear from the Farm Bureau Department of Ag., because they assist with a lot of funding from the State to distribute. But, I just was wondering if you might have that.

MR. KHAN: No, so, we haven't got into that, our--

SENATOR BEACH: All right, no, no, that's fine.

Al Murray will have it, so we'll ask him.

MR. KHAN: But, hey, \$5.4 billion in taxes indicated that comes back and supports so many services, definitely.

Great returns already.

SENATOR BEACH: Yup.

Thank you so much--

MR. KHAN: Thank you.

SENATOR BEACH: --for your testimony, appreciate it.

Next we have Liz Thomas (*sic*) from the Farm Bureau.

Oh, Liz, you got a haircut.

(laughter)

A L L E N C A R T E R: I'm not as eloquent as Liz, but I'll--

SENATOR BEACH: OK.

MR. CARTER: All right, I'm sorry folks.

And, then my computer-- I'm getting so old my computer doesn't recognize me anymore. Here we go, OK. Thank you--

SENATOR BEACH: I'm sorry, we're just-- I asked Al to sit with you.

I know he's from the Farm Bureau, he's been there for about 103 years.

SENATOR CRUZ-PEREZ: Oh my God.

(laughter)

A L F R E D W. M U R R A Y: Almost as long as you've been senator.

(laughter)

MR. CARTER: So, Al was with the Department of Agriculture, and came to the Farm Bureau and we're very fortunate to have him, the last six, seven years.

SENATOR BEACH: Yes, you are.

MR. CARTER: All right.

Thank you, Chairman; thank you Vice Chairman, and the Committee for having me, along with the entire Committee for scheduling this hearing to discuss one of agriculture's newest and largest opportunities to expand the economic viability of our industry. My name is Allen Carter, and I'm the President of the New Jersey Farm Bureau, our state's largest membership-supported organization for agriculture, comprising of over 6,000 farming families and agribusinesses.

Agritourism is defined as a practice for attracting visitors to farms and rural areas for leisure, recreation, education, and entertainment with a goal of generating income for farm and promoting a connection to agriculture. It combines tourism with agriculture by linking visitors with agriculture operations through activities like direct sales and hands-on experiences. Within 100 miles of central New Jersey, there are more than 30 million people, roughly a 10th of the U.S. population, with more than \$1 trillion in household income. And, over the past decade, more and more families and individuals are bearing down to -- being drawn to -- the experiences of being on the farm, whether it be through direct purchase of produce and non-farm items such as flowers, pumpkins, and Christmas trees; or enjoying the scenic vistas that farms have to offer for life's celebratory events. According to the U.S. Census data, agritourism and direct sales represent approximately \$118 million in farm income for the Garden State, with ag-tourism and recreational services at \$29.1 million, and food sold directly to consumers at \$88.5 million. I'd like to touch on some current State initiatives, you've added to such. We've been waiting for the New Jersey Division of Tourism to release funding for grants that would allow farmers to market agritourism opportunities through billboards; websites and social media; and other methods. This has been years in the making, and we aren't sure why these funds have not yet been released.

The Special Occasion Events law for preserved farms, otherwise known as SOEs, was passed in 2023, allowing preserved farms to host a limited number of non-agricultural events, such as weddings; birthdays -- birthday parties -- festivals; and other celebratory events in order to boost the economic viability, and allow for the public to benefit from the pleasantries

of preserved farm properties. While this program took some time to get running, there are still kinks that need to be worked out because of some confusion in a law that allows towns to have authority making this approval process unduly burdensome in some municipalities. We ask for clarification to make the purpose uniformly easier for farmers statewide as we intended through this legislation. There's also a bill currently pending in the Legislature, S-76 and A-4249, which would provide limited civil liability immunity to farmers hosting agritourism activities. This is similar to the protection offered to farmers through the same type of law for "pick-your-own" operations. This bill was reintroduced from last session, but has had no movement. We support this bill and would like to see it moved.

Thank you for allowing me this time to go over the potential opportunities and the growth for agriculture viability of our state through further implementation of these initiatives tied to agritourism. We invite you and your colleagues to reach out to the Farm Bureau if you would like to tour any of our state's agritourism destinations, including from oysters -- oyster farming in our back bays -- to our world-class tulip farm, complete with a Dutch windmill. I'm open for any questions, and, real quick, just while we're on this topic, I sit on the American Farm Bureau National Board, with 25 state presidents. And, it's been told that this will be the third year that 51% of agriculture entities across this nation will not be able to meet to make demands of paying their bills. The ag. community is in a crisis across the nation, not quite as in crisis here in our state because of our specialty crop items. But, that trickle-down effect will eventually hit us in New Jersey. So, anything that can help prepare us for that would be greatly appreciated.

I'm open for any questions, thank you.

SENATOR BEACH: I think one thing with the agritourism that is kind of very close to my heart, that you didn't mention, is the wine industry.

So, let Al and I know, when you're ready, to go visit a few wineries, would be worth it or not--

(laughter)

--willing to assist.

MR. CARTER: And, I know the Secretary of Agriculture would definitely like that, also.

(laughter)

SENATOR BEACH: From the Committee, any questions or comments?

SENATOR CRUZ-PEREZ: Not a question, but, Senate Bill 76, I happen to be-- I'm the prime sponsor of the bill and it's economic growth.

We definitely will be posting this bill in the next committee; I'm talking to my Chief of Staff over there, sitting over there taking notes. Yes, the bill-- We will be more than happy, and I will ask my colleagues to join me on that bill.

SENATOR BEACH: Yes, absolutely, Nilsa; what committee is it in?

(laughter)

SENATOR CRUZ-PEREZ: Economic Growth.

SENATOR BEACH: Oh, I think I know the chair.

SENATOR CRUZ-PEREZ: Yeah.

SENATOR BEACH: OK, thank you. Thanks a lot, guys; appreciate it. And, Al, thank you for volunteering to assist with the winegrowers.

UNIDENTIFIED SPEAKER: Well, anything I can help you with, Senator, I personally look forward to.

(laughter)

SENATOR BEACH: I know that.

Thanks, guys.

MR. CARTER: Thank you.

SENATOR BEACH: Our next speaker is Michael Egenton from the State Chamber.

Good morning, Michael.

M I C H A E L E G E N T O N: Good morning, Senator, and fellow senators.

Good morning; for the record, Michael Egenton, Executive Vice President, New Jersey State Chamber of Commerce. Thank you for having me here; some brief comments. The tourism industry is vital to New Jersey businesses. The Jersey Shore remains one of the state's most powerful tourism draws, attracting millions of visitors annually from across the region. Tourism statewide contributed \$80.4 billion to New Jersey's economy in 2024, supporting more than half a million jobs. I'll also add that New Jersey has 22 designated destination marketing organizations, otherwise known as DMOs. Its mission is to drive visitation to communities; bring traveler spending that promotes economic activity; and creates and supports local jobs. Our DMOs serve the traveling public at the local level by producing marketing materials and promoting the unique tourism assets in their

respective areas. I will skip over my comments on agritourism since we had the Farm Bureau highlight on that. I did want to touch on some of the challenges that we have in tourism.

Our infrastructure needs: Visitors need safe, well-maintained roads to access these tourism destinations, or reliable public transportation options. Limited transit options and congested shore highways, especially during peak summer, reduce accessibility and can discourage tourism. This creates parking and traffic-management issues for towns whose roads are not designed to withstand high traffic. Additionally, tens of thousands of rural New Jersey residents still lack access to high-speed internet, typically in Sussex, Warren, and Salem counties throughout the state.

Our workforce shortages: Seasonal labor shortages continue to be exacerbated by Federal restrictions. Legislation passed last session, expanding working hours for minors, was a positive measure to alleviate workforce shortages. Our regulatory burdens, legislation imposing requirements that failed to account for unique needs of tourism and agriculture businesses are harmful. For instance, the heat standard bill discussed in the Legislature would decimate outdoor operations by requiring stringent and arbitrary heat-related requirements. For agritourism and shore businesses, many of which operate in open-air environments, and with limited labor resources, this would be detrimental.

Climate and resiliency: Operational costs are increasing for all our businesses; new tariffs; rising energy costs; and increased extreme weather. Many businesses in this sector are not able to operate year round. Seasonal tourist attractions can struggle with finding additional income, when unexpected expenses arise off season. This can make it more difficult

for businesses to recover for the next wave of visitors. We are seeing an uptick of extreme weather causing erosion; flooding; damage to crops; and decreases in agricultural yields.

So, what are our opportunities for growth? I often said before this Committee and over the years, public-private partnerships. We must continue to hold these forums, bringing together business owners, chambers of commerce, local government, and the State Legislature to address the ongoing issues that these industries face. Marketing and promotion of our industries is essential. Continued investment in New Jersey to highlight the experiences is crucial, especially next year when we welcome the World Cup in New Jersey.

Infrastructure investments: We must explore how to expand and modernize our transportation corridors; invest in coastal protections; and expand access to broadband and digital connectivity. We must also ensure that farmers and businesses have access to the financing they need to sustain and expand.

The World Cup: With the new opportunity in 2026, the World Cup events coming to New Jersey, there is a projected \$3.3 billion economic impact for the region, with over 1.2 million international and domestic visitors anticipated. There is-- This is a *rare* opportunity for our shore communities and agritourism destinations to showcase themselves on a much larger scale. In order to seize this opportunity, these businesses need targeted support from the State Legislature, and the host committee. Shore tourism and agritourism are important economic drivers if we want these industries to grow and continue contributing to our state's economy. We need policies that support their operations; we need flexibility; foresight; and partnership

from the state. And, with the right support, especially leading into the World Cup, it can help bring unprecedented economic benefits to New Jersey.

It's also worthy and timely to add that next July, 2026, we will be celebrating the 250th anniversary and signing of the Declaration of Independence. With New Jersey's historic Revolutionary War history and heritage, there are countless celebration events being planned across our great state. And, talk about, Chairman, you and I from South Jersey-- The trifecta: the 2026 Major League Baseball-All Star Game will be played Tuesday, July 14 in Philadelphia, just 10 days after the nation's big 250th birthday bash. So, my hint is, if you have access to an Airbnb, turn it into that, because we're going to get a lot of people in our region in the state. State Chamber looks forward to staying engaged and stands ready to work with our State Legislature to support smart policies that strengthen all aspects of tourism, including agritourism and shore tourism. The last thing I'll say is, we have a gubernatorial election coming up, and whoever that new governor is, I strongly believe we need to go back to the heyday of marketing New Jersey. And, I invoke the great Governor Tom Kean, "New Jersey and you perfect together." That was the best. Him walking along the Jersey Shore, that was the best marketing; we need to get back to that.

Thank you, Chairman.

SENATOR BEACH: Thanks, Michael, and as far as needing Airbnbs, I've bought a tent, and I've notified my wife we're sleeping in the backyard.

(laughter)

MR. EGENTON: Well, I think we're going to get a big crowd, and I've been dropping that hint to some of the local regional chambers; I think we're going to need it.

The hotels are -- I think -- going to be at capacity--

SENATOR BEACH: Absolutely.

MR. EGENTON: --with all of these events that I highlighted.

SENATOR BEACH: That's great.

And, we should be taking advantage. When I say we, New Jersey, should be taking advantage of that.

MR. EGENTON: Absolutely.

SENATOR BEACH: And, comments, questions?

SENATOR CRUZ-PEREZ: No--

SENATOR MORIARTY: No, no--

SENATOR BEACH: Senator, Senator Cruz-Perez -- you're first.
(laughter)

SENATOR CRUZ-PEREZ: So, you mention the seasonal workers?

MR. EGENTON: Yes.

SENATOR CRUZ-PEREZ: Is that becoming a problem -- and it goes to the Farm Bureau as well -- are we being challenged with what's happening with some of the seasonal workers?

Are we seeing a problem -- creating a problem -- from the farm, from the tourism perspective; the industry; the hotels--

MR. EGENTON: Yes.

SENATOR CRUZ-PEREZ: --the workers who work there?

MR. EGENTON: The amusement facilities, then, usually during the summer they hire a lot, out of state -- out of country -- individuals with the J-1 visas.

So, we're seeing concerns with that, and obviously, a little more than concern, almost like fear of like what happens if, "I'm here, and something happens while I'm here." We're getting a little bit of that feedback. And, there's a lot of seasonal type of industries out there, Senator, that would really rely on that help.

SENATOR CRUZ-PEREZ: How is that-- How this is affecting us, the farms; the industry financially?

MR. EGENTON: Well, I don't know; I would allow the New Jersey Farm Bureau to talk about the impact on their specific sector.

But, I know some of my members who I've talked to who were sort of at the tail end of this season were very concerned. They didn't see the uptick; I was just talking to some colleagues here, take-- Down the shore this year, we had a lot of visitors from Canada. And, that hasn't been as strong as it has been in the past. You can see just driving around, a lot of vehicles, Vancouver, Quebec, and the like. So, there's definitely been a pinch to the local economy because of what's going on.

SENATOR BEACH: Thank you.

Thank you, Senator. Senator Moriarty.

SENATOR CRUZ-PEREZ: He's (indiscernible)

SENATOR BEACH: Oh, oh.

Hold on for one second. Our farmer expert.

MR. CARTER: I figured it'd be easier up here, real quick.

To address the farm labor, agriculture has been very fortunate. We have not felt the impacts of Washington on the ag. labor in general. Small areas have, but not what we were preparing for. One of the big factors is getting the labor coming forward; H-2A program is heavily used. The H2-A program has a minimum wage set by the Federal Government, which is much higher than the State minimum wage. That we've been working on the national level to get that stabilized and reduced a little bit to be more competitive with our local minimum wage, and the surrounding states. So, yes, we're dealing a lot with--

SENATOR CRUZ-PEREZ: With--

MR. CARTER: --labor increases; costwise and labor shortages in the long term.

SENATOR CRUZ-PEREZ: Thank you.

SENATOR BEACH: Thank you so much.

Senator Moriarty.

SENATOR POLISTINA: Don't go anywhere.

Allen! Don't go anywhere.

SENATOR MORIARTY: I didn't--

SENATOR BEACH: Oh, wait, I'm losing control.

(laughter)

Go ahead, Paul, you were next.

SENATOR MORIARTY: I didn't really have a question.

First of all, I just wanted to thank you, Michael, for being here and always advocating for business community in our state. You mention that we should be advertising our state more; I couldn't agree with you more. I'm in that business of advertising; I know that advertising yields results. I

think we need a more robust campaign. I don't know if it necessarily needs the face of a governor, but maybe I would offer the Chairman, he's got a-- No, forget him.

(laughter)

But, I think we need a robust campaign. We're doing quite well without a really robust campaign, and I think advertising yields results and we can do even better. Do you know what our rate of return is, how much we're spending on advertising, at all?

MR. EGENTON: I don't have those stats; I know going to the tourism, my colleagues, I'm sure, have it with them. They're up at bat representing the tourism industry--

SENATOR BEACH: They're on deck.

MR. EGENTON: -- give those stats.

SENATOR MORIARTY: Yes, because I'm all for our next budget expending more money to cash in on what's going to be a really great year--

MR. EGENTON: Absolutely.

SENATOR MORIARTY: -- in terms of, as you said, the World Cup, the 250th anniversary, and--

MR. EGENTON: And, then, where we are in South Jersey, even with the All-Star game, there's -- that's why I call it the trifecta.

SENATOR MORIARTY: Sure, sure.

Thank you very much for being here, I appreciate it.

MR. EGENTON: Thank you, Senator.

SENATOR MORIARTY: And, by the way, I was in Ireland a couple of weeks ago with the New Jersey/Ireland Trade Commission.

And, I've got to tell you, I ran into 10 people who I met -- at least 10 people -- who said, "Oh, you're from Jersey; I was there on a J-1 visa and worked at the shore back in 1989." All these people who came here to work, and--

MR. EGENTON: Right.

SENATOR MORIARTY: --have great experiences and memories of New Jersey, and of course, they share them with people, and that ripple effect just keeps paying dividends.

So, anyway, thank you for being here.

MR. EGENTON: Thank you.

SENATOR BEACH: Thank you.

Senator Polistina.

SENATOR POLISTINA: Thanks, Chairman, sorry, I didn't want him to walk back again, but, if your house is for rent, I'm going to rent it, and--

(laughter)

SENATOR BEACH: Well, I have standards.

SENATOR POLISTINA: -- we're going to have a big All-Star watch party; everybody's invited.

(laughter)

SENATOR BEACH: I have standards, Senator.

SENATOR POLISTINA: Allen, you said that you had prepared for a worse situation as it relates to seasonal workers, but it didn't really come to fruition.

Any idea why you didn't experience as bad a situation as you were expecting?

MR. CARTER: I believe, and I don't want to quote Washington, but, they realized that our crops were not going to be harvested if they came down heavy on labor.

SENATOR POLISITNA: OK.

So, they recognized this past summer that we were going to have a significant impact.

Do you expect that to continue at this point? Because--

MR. CARTER: I-- We don't want to let our guard down.

I think the biggest thing right now moving forward is trying to secure better H-2A program--

SENATOR CRUZ-PEREZ: Yes.

MR. CARTER: --to allow us to have a better source of labor coming in--

SENATOR CRUZ-PEREZ: Mm-hmm.

MR. CARTER: --that's-- OK, legalized; legalized labor.

SENATOR POLISTINA: OK.

So, we have hope that maybe they can get their act together and come up with a program that'll work for our--

MR. CARTER: I hope so, we've been waiting for a long time for that.

But, with the stress right now, it may come to fruition.

SENATOR POLISTINA: OK.

Thank you.

MR. CARTER: Thank you.

SENATOR BEACH: Thank you, guys, any last questions?

SENATOR CRUZ-PEREZ: Yes.

I'm sorry--

SENATOR BEACH: Go, go ahead, Senator.

SENATOR CRUZ-PEREZ: I mean, as I'm head as Economic Growth.

So, are we still facing challenges; some of the businesses -- you and I had this conversation in Economic Growth and in the hallways of Trenton -- where our businesses were struggling to find workers to work and to come back after the pandemic. How we are on that scenario?

MR. EGENTON: Some of them-- I have to say, the larger-- We represent the mom-and-pop all the way up--

SENATOR CRUZ-PEREZ: Mm-hmm.

MR. EGENTON: --to the Fortune 500 program.

I don't think the Fortune 500's having too much of that problem, but, still, you go down any of your Main Streets, there're still signs out, looking for workers. And, I will always say this: A lot of our members who we talk to pay better than minimum wage--

SENATOR CRUZ-PEREZ: I know.

MR. EGENTON: --and be competitive to get good workers.

And, they usually tell me they're having a hard time finding people. And, then, of course, I won't delay my remarks, but it is a specified sector that needs certain skill assets; that's another thing that they're lacking. So, we always say, "You need to talk to academia," so we're graduating the right people to be on the future side of things, like AI, where that's the wave and that's what's coming. We have to make sure that there's a connection between the business community and academia, and teaching the right skill assets. But, Main Street still, I think, is hurting, looking for-- Well, like I

said, a lot of our small business members are paying good salaries, good benefits, but they're just having a hard time.

SENATOR CRUZ-PEREZ: What can we do?

MR. EGENTON: I don't know; there's so many different-- I was at an educational forum, and it's still sad to hear that a lot of kids who graduate from our schools are taking jobs outside.

And, once you lose that person, and they go to a school in a different state, you're hard pressed to get them back. There's a lot of different moving factors; and, you all have, collectively, worked with me and my organization, other trade associations in the business community to try to improve the economic climate. But, it's very competitive, and we have to do all that we can. This is an important aspect of it, of tourism, there's a lot of jobs related to it. But, whatever we can do; I'm a big believer in mom-and-pop Main Street. So many businesses, home-based businesses, grew into our Fortune 500 companies, so we have to support them in any way we can. And, honestly, no disrespect to the Legislature or Trenton, but, when I have private conversations with my small business owners, I say, "What can I do to help you?" They say, "Honestly, Michael, just tell Trenton and Washington, D.C., to leave us alone. We can do what we can do; we want to create jobs; we want to create rateables; we want to drive economic development; but, just stop with the mandates." By the way, I spent a lot of time this summer -- you were all on legislative break after the budget -- I spent countless hours on regulations that different departments are pushing through, as we're coming towards the end of an administration. And, some of them -- I won't even go into it -- are really, incredibly challenging for the business community.

So, I'll just leave it at that; sometimes not doing anything's the best medicine.

SENATOR CRUZ-PEREZ: Noted.

MR. EGENTON: Jack, sorry, if I went on too long.

SENATOR BEACH: No, no, that's OK.

I have the hook over there, but, you were interesting, so, thank you.

MR. EGENTON: All right.

Thank you, sir.

SENATOR BEACH: Our next speaker is Hilary Chebra.

HILARY CHEBRA: Good morning, Chairman; members of the Committee; just for the record, Hilary Chebra, I'm the Director of Government Affairs for the Chamber of Commerce Southern New Jersey. Thank you for the opportunity to talk tourism and agritourism.

Huge parts of the economy for South Jersey-- So, thank you for coming all the way down here to highlight this; it's a really important topic. I think you've already heard a lot about some statistics; about some of the revenues that tourism brings back; so, I'm going to talk a little bit about what tourism we use for South Jersey. We are a huge economic driver that supports small businesses. We-- In striving to represent businesses from the huge guys all the way to the mom-and-pop businesses, most of our membership, 85% of it, is small businesses. So, the folks -- the people who come to visit that tourism brings -- supports all these mom-and-pop shops you see on these Main Streets. And, agritourism has become increasingly important and popular, particularly for South Jersey, our rural counties in Burlington, Salem; people are very interested in what farms and wineries have to offer. I

think during COVID we saw a lot of people looking for those outdoor activities, and people have just grown really interested in all of it and receive that huge growth, just continued now, five years after.

We would not be talking about tourism in South Jersey if you don't bring up Atlantic City, and, I know my colleagues from Visit Atlantic City are here, so I'll just talk about some things that our Chamber wants you to be aware of going forward and thinking about how to help tourism and help Atlantic City, too, because Atlantic City does face some challenges, particularly with what we're seeing up in New York State; they've authorized some casino licenses in New York downstate. Atlantic City is already competing with the region to make sure that gamers continue to know that it is a wonderful place to visit and enjoy. So, any policy decisions that you're making, please come have the discussion with us, because, we want to make sure that it does not negatively impact what Atlantic City's doing and the health of the casinos in Atlantic City. So, anything to make sure that Atlantic City maintains its competitiveness is going to be really important moving forward. Michael brought up the big events that are coming next year. It is going to be a wonderful place to be in South Jersey next year. Like he said, we will have the FIFA World Cup being played in Philadelphia, and in the Newark, New Jersey, stadium. The All-Star game, and the 250th anniversary. South Jersey is just perfectly positioned to be highlighted by all of these international visitors. I'm not super huge into soccer/football, but, I'm learning that the World Cup folks are not just coming to watch the individual matches, they're coming for the full experience; they're coming to feel like they're a part of the Cup and the games. So, they're going to be visiting not just to go to one individual match in Philadelphia, or one individual match

up in North Jersey; they're going to be coming for the full experience. While they're here, we want to make sure that they experience our beautiful beaches; our wonderful wineries; our gorgeous farms.

So, making sure that the region is ready to invite these visitors in is going to be huge, as Michael mentioned. We're going to be full to the brim with our hotel rooms, and making sure that everyone has proper lodging. And, something that I know that our Chamber has talked to every one of you about, is transportation: Making sure that people can get from point A to point B. South Jersey doesn't have much public transit as North Jersey, and I think a lot of our international visitors are going to be challenged with figuring out how to get from point A to point B if they don't have a car to rent. We've seen some improvements recently. Governor Murphy announced a bunch of new initiatives for some transportation in South Jersey, and it's a great start, but, we want to make sure that everybody has the ability to go from the shore to the games in Philadelphia or North Jersey. And, the public transportation in South Jersey will need some extra attention as we look for these huge events that will put us on an international stage.

So, those are some of the things that, looking forward, I'd like us to consider when we're thinking about tourism and thinking particularly about tourism in South Jersey.

SENATOR BEACH: Thanks, Hilary.

Any questions, comments? (no response)

Hilary, appreciate it, and, we should talk about all these things that are happening and be prepared. I know one of the responsibilities with agritourism here is the -- and, I mentioned the wineries kind of jokingly -- but, I think they missed the boat on a lot of events, and they can't miss this

boat to send buses over to Philadelphia and bring people back to the wineries. And, that would go for breweries; distilleries; et cetera. And, maybe, that's a project that you guys could help with. Just, we have such beautiful wineries, and great breweries around the state. Distilleries, I've only been to one that was fantastic. And, I'm not a member of AA or anything, but, we do have some really cool things to blow our horn about in this state. And, while I'm spouting off, I wanted to thank Governor Murphy publicly, because the investment over the years into tourism, coming from the State budget has been minimal. And, a couple years ago, he put a \$25 million blast into tourism. And, I just think that that was a wonderful investment, and we need to maximize the use of that money.

So, thanks, Hilary.

MS. CHEBRA: Thank you.

SENATOR BEACH: Any-- Nothing else? (no response)

Thank you.

MS. CHEBRA: Not at all.

SENATOR BEACH: Gary Musich, Visit Atlantic City.

I don't gamble, Gary, what else you got for me?

GARY MUSICH: That's all right.

Wait a minute, is this on?

SENATOR POLISTINA: All kinds of restaurants, Chairman.

MR. MUSICH: Yes, I'm actually here to talk about all those other things, so--

SENATOR BEACH: Good.

I'm taking notes.

MR. MUSICH: --you don't have to come to Atlantic City to gamble, or just gamble.

So, thank you. I think this is great; I really appreciate being here to talk about a couple of things on Atlantic City. Again, I'm Gary Musich; I'm the President CEO of Visit Atlantic City. I'd like to-- Visit Atlantic City is a private company under contract by the Casino Reinvestment Development Authority to provide tourism economics for the region. And, I want to talk a little bit about our history, and, I think -- if I'm being redundant, I apologize -- but, I think that's important to know how we got to where we are here right now. We used to be the Atlantic City Convention Center Authority, back, early part of the 2000s. 2013, we were responsible for all, obviously, tourism, marketing, leisure, meetings development, which is a big part of what I'm going to talk about. And, in 2012 and 2013, we were separated into two organizations: Meet AC was created; that handled all meetings; trade shows; and events in Atlantic City. Also, the majority of sales in the Convention Center, which is actually 100% of the business into the Convention Center. And, the Atlantic City Alliance was created to handle all of the leisure marketing effort. That lasted a couple years; that was the "Do AC." I'd call that a campaign, not a brand, and that's where all that came from. So, our role, and primary role, as Meet AC, was meetings, trade shows, events. We produce 53% of that business in the market, and we still do that today; 100% of that business, again, in the Convention Center.

This year, as of January 1, we consolidated again all of the marketing effort in Atlantic City with merging the leisure -- what was the leisure marketing group -- under the Casino Reinvestment Development Authority, and bought that effort all in. I've put in front of you -- and, it's a

little light reading for later on today -- some of the numbers associated with our first -- it's really through the end of August, some of those numbers -- but that's our campaign. That's our messaging. We changed our name two years ago -- about two years ago -- to "Visit Atlantic City." Do AC's great, but calling Atlantic City "AC" is a very localized name. And, when you get out to the broader business community -- the meeting business comes from all over the country -- nobody knows what that is. So, we changed our name to exactly what we'd like you to do, which is visit Atlantic City. You hopefully have seen some of our digital campaign and marketing, and things that have launched since the beginning of the year. And, it's all over the market right now. Some of those examples are in your packet, there, as well.

That year-to-date plan talks about what we've done in our sales mission so far, year to date new business that Visit Atlantic City and the sales team has booked is up 30%; we expect it to be up 20% by the end of the year. More importantly, it's the biggest growth in new people; new conventions; and trade shows coming to the city in years. I would say that that roughly 30% of that business -- and, it's a rough number, but in that area -- is the result of new interest in Atlantic City. I think that that is because -- and we feel because -- the high price of certain markets are pushing people to do secondary markets. We absolutely see that, and that's going on nationwide. Economic impact: We track everything we do via economic impact and data tracking. So, visitatlanticcity.com, if you were to go there and look at our campaign, and you look through some of that, the entire goal is to drive you to visit Atlantic City; collect information on who you are; what you are; what you like to do; and give us the ability to remarket you and increase your visitation. The primary role of that campaign is to extend the assets we have

outside of just Atlantic City to include the county; to include wineries; to include ecotourism; golf; other things. Seventy percent in our data collection of people that stay in Atlantic City stay one night. They book a week in advance, and that's in there, and that data in your packet is right out of our website. It's not just thought up; it's actual tracked data. So, the goal of that campaign was to extend that stay. And, if you extend that stay, even by half a day, it's hundreds of millions of dollars in economic impact to the region. So, the goal -- and if you look at one of the charts in there -- shows you that what's the result of that campaign? That campaign, now, in the primary search, is two to three days in Atlantic City that come to our website. And, we expected if we booked 50,000 rooms through that site in the first year we were doing-- We would've considered that a success. We hit 80,000 rooms booked through Visit Atlantic City. Those are new rooms; they may have been in the city, but it was an un-trackable data point; 80,000 rooms to be booked through that new source says that the interest is there. The meeting business alone is going to be up again for the third straight year in Atlantic City.

The economic impact overall-- I'm going to go back for a second. One of the things we track and evaluate -- and, it's in your packet -- is pace of the meeting business. The pace is how far into the future-- It's money in the bank. Two years ago, that pace was one and half years, booking convention business into Atlantic City. Now, it's through 2032, and, simple supply and demand says that the 2 million square feet of space -- 18,000 rooms in Atlantic City -- that's more than Philadelphia has. That's more rooms than Philadelphia -- the further out we can push that, the higher value that meeting space has in Atlantic City. And, that does not include the events

like entertainment; concerts; that's all separate from that. So, that pace is in there so you can see what is on the books and how far out that goes. Part of that campaign is obviously to change perceptions. If you look, and, I hope you did, you saw that Visit Atlantic City was on the Super Bowl route. Fourth of July, you saw Soar and Shore Festival this year that was being promoted in Philadelphia, one of our leisure-based events that we took; it drew 150,000 people and \$20 million into the market. I think leisure-based events, festivals, are part of the destination marketing organizations' goal, and should be, and should continue to be ours, and it will be. Also in there is some information on Taste Atlantic City, which is a food-and-beverage, and culinary-centric month in March that we're trying to create to drive leisure tourism.

I want to go back now and talk a little bit more about the convention market. People don't realize how big this market is. In this year -- I'll go back to last year -- just through Visit Atlantic City, it was \$300 million in economic impact to Atlantic City; market-wide, \$500 million of economic impact. Through one million people, and utilize all in, 600,000 rooms utilized. And, that excludes any kind of gaming dollars; this is purely economics for Atlantic City. The impact from the Convention Center alone was \$200 million into the market in economic impact. To put that in perspective, that's bigger than a city like Baltimore; it's bigger than a city like Pittsburgh; it's two-thirds the size of Philadelphia; it's bigger than Richmond; it's bigger than Virginia Beach; and Providence. Those are all in our competitive set, and cities that we watch and monitor to see how the performance of Atlantic City is compared to our competitors. And, of all of those, there's only a couple of cities -- Pittsburgh and ourselves -- are actually

continuing to show growth through this current market. The Convention Center's performance -- it does better than its peers. The Convention Center itself -- I think it was 1997 when it was built -- had no significant investment modernization put into it since then. It is in *dire* need to stay competitive going forward. One of the points that I wanted to bring up is the thought -- I don't know how far along this discussion has got -- but there is a discussion about building an additional convention center in North Jersey. I'm not necessarily opposed to that; I'm only opposed to it if we don't allow ourselves to build this market for the State of New Jersey. If we build a brand-new convention center in New Jersey without looking at substantial investment and modernization of our current Convention Center -- again, that performs better than its peers, and drives hundreds of millions of dollars -- we're going to simply move the money from the south to the north from one pocket to the other. However, I think if you create -- and the building goes forward -- we modernize the effort that we're doing in Atlantic City, and, all of the sudden, you've told -- and, I'm going to guess it's \$100 billion market, the meeting, trade show, and event market throughout the United States -- you've told that that the State of New Jersey is in for business here, and now we have the opportunity to work together with the Meadowlands to grow this market for the State of New Jersey, and not just keep it within our four walls. This business comes from all over the country. And, I think it's imperative that we stay competitive; it's one of the markets that have grown in Atlantic City; it's going to grow again this year. We're putting a lot into it; our budget is \$14.67 million for this year -- it came up earlier -- for every dollar that you invest in this, economically, we return \$30 to the marketplace. And, I think

that's a really important data point to tourism in general, but specifically to the Atlantic City market.

So, those are some thoughts; I hope you get a chance to look through our quarterly report, that's available any time, and I'm glad to discuss that at any time, or the details of that. And, it's all trackable and monitored data.

SENATOR BEACH: Gary, can you talk to me a little bit about internet gambling, and the either positive or negative impact on AC?

MR. MUSICH: So, I can from a-- We're not very embedded, other than we work very closely, obviously, with the gaming industry, into the gaming side of things.

We-- I look at it that, you've got to break this business, to some degree, up into two columns: the gaming piece and the non-gaming piece. But, I will say that brick-and-mortar was up; it was a great summer; that means people are still looking for experiential travel. I think you're always going to have online gaming; you're going to have that. I think what we do in Atlantic City right now, from an investment and development standpoint, changes the fabric of what Atlantic City is, and brings in new visitors. And, that's the whole point of Visit Atlantic City's campaign: We want to bring new people in; experience what else goes on, which is why our campaign spreads outside of Atlantic City. You're going to stay there, so the economic value in the city is going to be there. How does that affect overall travel? I would say that I don't have an answer for that. I would tell you that the more we push new visitors to Atlantic City, the better brick-and-mortar is. And, I think one of the data points we should be tracking is that non-rated play that comes, because, casinos are very interested in non-rated play, obviously,

there's not a big investment that goes back into that, and that's the standard traveler, whether convention or leisure traveler who is there and enjoying concerts; food; paying \$300 for a guest room on a Friday; and buying a concert ticket and gambling a little. So, the value of that guest room is significant.

SENATOR BEACH: Just an observation, I've often wondered that it doesn't seem like the brick-and-mortar casinos take full advantage of the ocean and the beach.

And, I've been to several events in Atlantic City, the airshow, that is now, I think, in Wildwood--

MR. MUSICH: No, there's one in Atlantic City and Wildwood.

SENATOR BEACH: Oh, OK--

MR. MUSICH: I'm sure Ben's going to tell you about his, I'd like to tell you about ours.

SENATOR BEACH: --but, I try to get over for dinner.

MR. MUSICH: Yes.

SENATOR BEACH: Great restaurants in Atlantic City.

But, it just seems like that we have so much more to offer in Atlantic City with the beach and the ocean. And, they're not packed, and they should be.

MR. MUSICH: So, I -- and, there's lots of images of some of the things we did this year. So, if you look at this, we call it now the "Soar and Shore Festival," which is our airshow; it happened in July.

The beach was packed. Again, 150,000 people is the producer's guesstimate for that. The beach is getting invested in; beach bars; the tiki bar at Resorts, which, again, opened two weeks and a hurricane destroys the

entire thing; the beach has been getting more activated. If you watch ESPN and watch “Slippery Stairs,” like some of this crazy stuff that goes on, that drives economics. They were in Atlantic City this year; you’re going to see that show on ESPN over the next two years 160 times, and their sister channels. Those type of events and how we look at the beach being utilized; our Sports Commission-- That’s part of Visit Atlantic City’s Atlantic City Sports Commission. So, you have volleyball; you have pole-vaulting; you have other things that go on. It’s there; it’s very targeted. Beach concerts were a big thing; we’re working on bringing things like that back to continue to activate the beach. I think you’re right; I don’t know that you can do enough for that. Things like offshore powerboat racing activate use of the beach; these are things that we continue to work on. You’ll see the airshow again throughout the next couple years, which dates are being held and we’re moving forward with those. And, you’re going to continue to see leisure-based events get developed by Visit Atlantic City and our partners, because it drives leisure travel, that segment of our business, which is about half of what Visit Atlantic City does now.

SENATOR BEACH: I think I’m giving my age away, but I keep going by Steel Pier waiting for the diving horse.

(laughter)

MR. MUSICH: Well, PETA’s there so we don’t want to dive--

SENATOR BEACH: I’m only kidding, PETA people.

MR. MUSICH: Yes.

Now it’s-- My new Vice President of Sales, Anthony, and his staff, dressed in horse suits jumping off the pier because -- we want to be careful about that.

Look, those are all assets that drive experiential travel, and that's how people behave now; they stay closer to home. Air service is ultra-expensive right now; people are taking more shorter vacations. The data we have and are collecting are supporting it. I would push you to look at our social media channels; go to our website; and look at how that discussion is occurring. How we're now working with the neighborhoods and the CDCs in the area and getting everybody together to start having a common discussion instead of being in these pillars about how we benefit from one another. And, we're starting to do that. I think having that conversation is vital to going forward.

SENATOR BEACH: Um, questions, Senators?

SENATOR POLISTINA: I do, just a comment and then a question, Chairman.

What you just mentioned, I think, is the Atlantic City experience as it has transitioned, because, remember, we started out primarily as gaming with a monopoly before gaming started throughout the country. And, so, when they designed those buildings, they wanted to keep everybody inside at the tables and at the slots, and, it wasn't a situation where they were trying to get people out to the beach and the boardwalk, because then they're not spending money gambling it. And, so, we have now started that transition. If you look at Ocean, which is the newest, much different facility than some of the older ones where you're utilizing the outside; some of those views from Ocean, from The Cabanas, are absolutely fabulous, and so, I think that process has started, but we need to do more. And, that's my question, Gary, you sort of -- you sort of gave the -- a little bit of an impression that competition from the Meadowlands or North Jersey was not a significant

concern. I just want to clarify, because you did mention it, but I don't know the extent that we need to--

MR. MUSICH: Yes.

SENATOR POLISTINA: --reinforce it.

There is investment needed in the Convention Center and in Boardwalk Hall, and in the city itself. And, so--

MR. MUSICH: That is the message, Senator.

SENATOR POLISTINA: I understand, that's absolutely the message--

MR. MUSICH: Yes, yes, yes.

SENATOR POLISTINA: --but, we need to just reinforce that Atlantic City is not at a point where we should be cannibalizing the tourism dollars that are being generated in Atlantic City.

We are not there. The Convention Center, Boardwalk Hall, and the rough numbers, \$200 million of improvements right now, and the city itself of course needs reinvestment and redevelopment to do everything you're talking about, Chairman, to take a look at the beach and the boardwalk, and how we integrate now and make this an experience as opposed to just gaming. And, so, I just want you to just comment on that to reinforce the fact that if we in New Jersey-- Like, we can't control what other states are doing; we can't control what other people are doing; we can control what we are doing in New Jersey. And, if we compete with ourselves at this moment in time, given the additional competition from other states, we are going to be looking at significant challenges in terms of properties potentially closing; job losses; all of the economic impacts that could result from that.

So, I just wanted to make that abundantly clear, that reinvestment in Atlantic City is the path forward at the moment.

MR. MUSICH: I'd like to touch a little on that.

SENATOR POLISTINA: Thank you.

MR. MUSICH: So, the-- The situation with the Atlantic City Convention Center is if it had little-- I mean, the reality is as simple as cell phones; you can't make a cell phone call in there.

We went from one out of every 30 people having a cell phone to people having two cell phones each. You have light boxes in there instead of digital and LED communication; that type of investment pays for itself. You haven't changed the carpet in 27 years, except one hall that was done this year. The building in general -- although, maintained and we've managed to keep it nice -- have no significant money put into it in a long time. We have an energy project going on right now, that's great. We did some roof work this year. My point to North Jersey is, if you build another center and don't do what Senator Polistina, said is-- The State owns this building, too; you're going to devastate it. Nothing's required to be in that building. We work very hard to keep it there and expose it to new things. We manage to do well in an aging building. If you look at our competitive set, they're investing hundreds of millions of dollars into their buildings; they're brand new. They have modern amenities; they have vendors in there; and we don't have that. We manage to be successful and drive volume because we have to work really, really hard on it. The properties have invested significantly in themselves, and that product is cost effective, which helps us. If you build a brand-new center without doing this, and, my point on building that, is if you're going

to build it anyway, if you're going to keep it competitive, you've got to invest in these buildings. You have to.

We are building partnerships now to drive more business to Boardwalk Hall, and, again, another situation where there's not been a lot of significant investment in these buildings; you will just move it from one pocket to the other. My point is, will we be supportive if that is the case and it's built anyway? Of course, because we're going to have to; and, we'll come up with a plan with the Meadowlands to grow this business so it doesn't affect Atlantic City. You're still going to have to put significant investment in those buildings.

SENATOR POLISTINA: Thank you.

SENATOR MORIARTY: I have some questions--

SENATOR BEACH: Go ahead, Senator.

SENATOR MORIARTY: You didn't forget about me?

(laughter)

SENATOR BEACH: No, no, no.

I have a little hard of seeing out of my left eye.

SENATOR MORIARTY: Thanks for being here today.

You know, about 20 years ago when I joined the Legislature -- seems like yesterday -- I was on the Assembly Tourism Committee, Tourism and Gaming Committee. So, it's been a while since I've been on this Committee, so thanks for inviting me today. Back then, my feelings about what was going on in Atlantic City -- and, I'm from South Jersey, I wanted Atlantic City to thrive -- but, I always felt that the -- most of the Gaming Committee were working for themselves individually; they never worked together; they didn't cooperate; they were printing money back then; they

didn't care what went on with Atlantic City too much; and they didn't really cooperate. Is there cooperation today? Or, are they still working independently--

MR. MUSICH: Absolutely.

No.

SENATOR MORIARTY: -- because, there was a lot of greed going on then.

And, when you talk about investments by the State, what about the investments in some of these casinos that are, quite frankly, ragged, some of them?

MR. MUSICH: In the past two years, those casinos have invested in themselves, close to \$1 billion, I believe, is the number.

They've never looked better. I would argue none of them are ragged at all any longer. The room product is as good as anything; it's cost effective to stay there. A gallon of coffee at a conference in New York is \$200. I would tell you that they've invested in the products; never been better in Atlantic City. I would tell you some of the properties, non-gaming, have never been worse. The Sheraton attached to the Convention Center, part of that complex, also in the same situation needs tremendous investment. As far as cooperation, I think the cooperation--

SENATOR MORIARTY: What are we doing to talk to the owner of that facility?

MR. MUSICH: It's-- I believe it's ongoing, and, I think there's been a program put into place and approved through the Aspire Program to help that property along.

SENATOR MORIARTY: Yes.

I mean, really, when people are asking the State to do more investments--

MR. MUSICH: Mm-hmm.

SENATOR MORIARTY: -- they have to invest, too.

MR. MUSICH: Sure.

SENATOR MORIARTY: Because, our investment's going to help them.

But, if the people come and their first impression is, "This is a dump," you know--

MR. MUSICH: Yup.

SENATOR MORIARTY: Convention business is one of the most competitive businesses there is.

MR. MUSICH: Mm-hmm.

SENATOR MORIARTY: Where are you, about Number 25 in the country at this point?

MR. MUSICH: So, if you-- If you're referencing the North Star grade--

SENATOR MORIARTY: I don't have a--

MR. MUSICH: So, to be 20, to have a-- To be 25 is a number I'm really, really proud of.

SENATOR MORIARTY: Yes, yes.

MR. MUSICH: We should be proud of that.

SENATOR MORIARTY: Who would be your closest competitor?

MR. MUSICH: Our closest competitor is Baltimore--

SENATOR MORIARTY: Baltimore.

MR. MUSICH: --it's the city's-- Our competitive set is Providence; Pittsburgh; Baltimore; Richmond; Virginia Beach; Detroit.

Those are our competitive cities; we operate and compete on a pretty close basis for cities, remember, that are five times the size of Atlantic City, that have airports within 20 minutes or 30 minutes. We have some challenges that are outside of that; beautification, 100% we need that. I agree 100% with you that the more we can do and the more investment we can drive, the better and easier my job becomes, no doubt about it. We--

SENATOR MORIARTY: Let me ask you this about all of those cities that you compete mostly with: Do any of those cities have hotels that allow smoking in them?

MR. MUSICH: I don't know the answer to that question.

SENATOR MORIARTY: It's no.

MR. MUSICH: I would tell you no.

SENATOR MORIARTY: It's no.

MR. MUSICH: Most hotels-- Yes, I would tell you from those--

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SENATOR MORIARTY: So, where does your organization stand on smoking in casinos?

MR. MUSICH: We're not-- We're a meeting-- We're not-- That's not in our lane, Senator.

SENATOR MORIARTY: Well, it is in your lane, because--

MR. MUSICH: What I would tell you--

SENATOR MORIARTY: --it's about attracting people to come here.

MR. MUSICH: --I want to go back; I want to talk about cooperation, too.

We don't have a position on that, because, it's not-- We have no-- Meeting business, public buildings, the ones that we deal with -- smoking is not allowed. It's a non-issue for us; it's a casino industry issue that the Casino Association in New Jersey deals with and talks to you about. In this segment, remember, we're not gaming; we're everything else. Do non-smokers -- which, I am one -- have an issue with smoking? Sure. Most public facilities that we deal with are non-smoking. So, we-- That's not a complaint you get from the convention market. I'm sure the properties-- If someone's visiting, like you or I would, and get into a smoking room, that is not planned for, is that going to be a complaint? I would; I'd complain about it. So, it's just not out of our lane on that. From a cooperation standpoint -- and I'm sorry I don't have a better answer for that -- because, we deal with that business traveler that is specific. The leisure piece of this-- By the end of this year, we commissioned a visitor profile study that started in April. It's going to be completed in December by a research firm, Future Partners.

SENATOR MORIARTY: So, does that include feedback from people; comments from people?

MR. MUSICH: It's going to be all segments; all seasons.

SENATOR MORIARTY: So, you would be able to test out whether people say--

MR. MUSICH: Absolutely.

So, that's one of the things--

SENATOR MORIARTY: --"Alright, if I wanted to come back," because of smoking.

MR. MUSICH: Yes, yes.

There is no question that that-- Those questions are in there and that kind of data will come. Same thing with cannabis; is that a driving force to tourism? It's not, but, it's going to be in there because we want other people to tell us, "Is it in there?" and, "Is it part of somebody's experience when they travel?" The reality is there's no data point that says people travel for cannabis like they do wine, as an example. As far as cooperation, there's been -- I feel there's been more cooperation right now in the city between all these business entities than there ever has been. Again, we are not a gaming organization; we are everything else. Sixty percent of the rooms are occupied now by gaming; 40%, that's the biggest difference that you have before. Forty percent are now non-gaming, experiential leisure travelers. That's probably somebody who would be concerned about getting a smoking room when they shouldn't. I would argue that the properties are very careful about that, because, you're right, that's a gaming property issue. But, shifting from 60% to 40% leisure travelers changes everything. We've had discussions; meetings; all of us together -- Stockton University; the Casino Association; all the big -- the Chamber. Everybody is having the same discussion for the first time in a long time about how do we benefit from each other; how do we look at crossover opportunities; and, how do we talk about this product and grow it to grow who visits Atlantic City? So, and, that's really what the plan is. We-- We're coming back for a second phase of this; we present our numbers to the Casino Association in the same fashion. That's never happened, because, it has a lot to do with their business now. Non-gaming travel is important. That's why beach bars are getting built; that's why more restaurants are getting built; that's why Ocean has changed its business mix;

but, all the properties have changed that business mix. And, that's why they're operating forward; they're trying to-- They have to find new customers as well; the fabric of all of this is changing.

SENATOR MORIARTY: Can you speak a bit about air travel and Spirit Airlines, which could go out of business anytime soon--

MR. MUSICH: Yes.

SENATOR MORIARTY: --and, the emergence of Allegiant--

MR. MUSICH: Yes, fantastic.

SENATOR MORIARTY: What do you see there?

Does that help; is it a wash?

MR. MUSICH: So--

So, the-- What I hope-- And, I know there's other things being worked on from there -- our -- on the convention side, we focus on organizations that are higher density membership and employment in the Northeast, because it has less reliance on air service. So, we start with that as part of the meeting, and conference approach, and our strategy going forward.

Obviously, air service is a huge, huge thing. People love the Landline; they just tipped over 35,000 people, which I hope triggers the assessment of increased air service out of Atlantic City, because I think it's critical that that happen. I don't want to see Spirit leave Atlantic City by any stretch of the imagination. But, we put plans in place to utilize Philadelphia because we have to do that. So, whether it's subsidizing transportation for that attendee, creating a better experience to get to and from there, air service is critical to expand the market. The new business that we book in the city comes from all over the country, so, air service is critical.

It might be a little bit harder to do that; and, our job and to our services team, is to make it easier to get there. And, it does work. I would hope that as we develop opportunity in air service that we focus on outbound service just as much as inbound service. I think it's critical to do that, because you have to come home. And, the business traveler is going to look for an easier path; I would do that; I do try to do that; Newark versus Philadelphia. So, the better you can be-- Atlantic City Airport is wonderful; we started working with them and having conversations about cross marketing that-- That's going on as we speak. That's been going on now for a while, working with SJTA; we're going to continue to do that. I consider those some of the partners that are at the table, right now, having these conversations. I'm in-- They're ongoing. And, I'm glad to share any of that. The answer is more air service, the better. How we-- We've historically marketed inbound, Chicago; Houston; Detroit; inbound, but, if you market outbound half the chore's done. And, I think going forward, if we take that approach, the success on a long-term basis is much more rewarding.

SENATOR MORIARTY: Thank you very much, I appreciate it.

SENATOR BEACH: Thank you--

SENATOR POLISTINA: I just wanted to follow up on that, because the Atlantic City International Airport is huge for the future, and you're absolutely right.

And, this is an area, I think Senate President Sweeney previously, and probably everybody, had talked about a real partnership with the Port Authority of New York and New Jersey, and, this was one area. And, normally in South Jersey we want to be "We're South Jersey." But, this is an area as it relates to the Atlantic City Airport, where a partnership with the

Port Authority could really benefit everyone. Because, you look at what was happening in Newark; you look at some of the traffic issues at JFK; you look at all these issues; if we had a partnership with the Port Authority where they could have some overflow flights here, or they had some more-- They have relationships with all the carriers, and, if they could really develop the ability to utilize the Atlantic City International Airport in a better fashion, it's going to benefit us; it's going to benefit *them*, because, they could lessen the impact on some of the airports up there. And, so, know that what is going on with Newark now is a perfect example of why we should really be doing this collectively from a Jersey standpoint. So, I think it's absolutely right, and, probably those conversations that Senate President Sweeney began, need to continue as we move forward as it relates to ACY.

SENATOR BEACH: Thanks, Senator.

SENATOR POLISTINA: Thank you.

SENATOR CRUZ-PEREZ: What airlines are serving Atlantic--?

SENATOR BEACH: Atlantic City--

SENATOR POLISTINA: Spirit.

SENATOR BEACH: --is Spirit, but--

SENATOR POLISTINA: And, Allegiant.

SENATOR BEACH: --they're negotiating, I believe, with Allegiant, and, I'm not aware--

SENATOR MORIARTY: Allegiant, is coming in--

SENATOR BEACH: --of anyone else.

SENATOR MORIARTY: --they've already announced.

SENATOR POLISTINA: Spirit; Allegiant; and, then, you do have Signature there; it's building a brand-new hangar for the private.

So, there's another area where, if you're talking to some of the casino properties -- Borgata, Caesar's -- you can utilize the private side of that airport as well, not necessarily have everybody going to Teterboro. There's a lot of opportunities here as it relates to air travel; we do need to improve the transportation outside of just the air travel, from the airport to Atlantic City, et cetera. But, there are so many opportunities as it relates to air service here.

MR. MUSICH: And, American Airlines.

SENATOR POLISTINA: Even from Ireland, Paul.

I mean it, Paul, if you were -- you had direct flights to Ireland from ACY, you would have a market of people who came to ACY that would fly over to Ireland, not have to go to Newark--

SENATOR MORIARTY: Oh, certainly.

SENATOR CRUZ-PEREZ: I did, to Puerto Rico.

SENATOR POLISTINA: Yes, and, international, it is an international airport; the space shuttle can land here; I mean, we have the capacity, and the airport is (indiscernible).

And, anybody who hasn't used this airport, go through there; use the security here; it is so much easier than any--

SENATOR CRUZ-PEREZ: Easy, nice, oh my God, so you see.

SENATOR POLISTINA: --other -- well, Palm Beach probably do with it -- but, this is so easy to go through.

MR. MUSICH: And, American Airlines operates the Landline.

So, you can-- If you're flying American Airlines, you can actually check in at ACY; there's a luxury shuttle--

SENATOR BEACH: And, then, get on the bus.

MR. MUSICH: --through TSA; drops you off right at your terminal; again, that's the Landline I was referring to that is going to tip over 35,000 passengers this year.

And, you hope-- I'm not sure what the metric is for adding service, but again, you-- Growth there is, I think, critical, and, I think that's a collective effort and discussion that we all are having now and we all should continue to have. It's vital.

SENATOR BEACH: Thank you. Anything else for Gary?

SENATOR POLISTINA: Thanks, Gary.

SENATOR BEACH: Appreciate it, Gary.

SENATOR MORIARTY: Thank you.

MR. MUSICH: Thank you.

SENATOR BEACH: Next up, Matt Halpin.

I think what we're going to do, Matt, is we'll have you stay here, and then, I'll bring Ben up first, and then, after Ben, we'll do Melissa, Diane, and then Mike, OK?

MATTHEW HALPIN: That'd be great, Mr. Chairman, and--

SENATOR BEACH: If you would kick it off, please.

MR. HALPIN: Absolutely, and I'll be very brief and let the members of TIA speak. A little note: Melissa was unable to be here today, so, just for your records.

Matt Halpin from Public Strategies; I'm here on behalf of the New Jersey Tourism Industry Association, so we are super appreciative of this hearing today. This is the mission of TIA, to talk about tourism, and certainly with all of you, as decision-makers, and, I'm preaching at the choir today, because all of you are friendly to tourism and understand its importance and

you'll hear more about that from our members who are here today. But, I did just want to briefly, for one minute, say, I love that you started the hearing with an economic report, because that's critical to all of this, as you, stewards of the State budget in the Legislature, look at how are we investing in tourism. And, when you hear those numbers that you heard today -- and, I know I'm not going to steal Ben's thunder, he's going to talk about a couple others -- it's critical, *critical* that we invest. Senator Cruz-Perez asked the question, "What can we do?" earlier, to somebody. We need the State to continue to focus on investing in tourism. It was a little disappointing -- it was very disappointing -- that in the final hours of this last budget session, there was a million dollar cut to the tourism budget. And, we're fighting right now to get that back, hopefully maybe as soon as lame duck, but we'll see. Because, we spend in New Jersey, the line item last year for tourism and promotion was \$17.6 million. This budget that just passed went down to \$16.6 million. That's a lot less than most large cities in our country spent; we're an entire state. We've heard a lot of, rightfully so, regional approaches today to tourism; TIA represents it all. So, whether you're Crystal Springs up in where I was last week up in Sussex County, down to Cape May and everything in between east and west, that's who TIA represents and that's who we advocate for.

So, I don't want to be long winded; I'm going to turn it over to Ben, Ben Rose, who is our President of TIA. If you've ever been to the Wildwoods, it's -- you've probably enjoyed something that Ben had his hand in putting on. So, anyway, Ben, take it away.

BEN ROSE: Thank you, Matt.

Is this on?

SENATOR BEACH: Yup.

MR. ROSE: OK.

Senator Beach, distinguished members of the Committee, colleagues, and guests, thank you for the opportunity to testify today on the importance of tourism to the New Jersey Shore, and the economic impact of tourism on our state as a whole. As President of New Jersey Tourism Industry Association, I'm proud to represent an industry that is not only the lifeblood of many of our shore communities, but also one of the most significant drivers of New Jersey's economy overall. Tourism is not a luxury in New Jersey; it is a necessity. It is an essential part of our economy, our identity, and our way of life. The latest data from New Jersey's Division of Travel and Tourism prepared in partnership with tourism economics shows in 2024 alone, visitor spending in New Jersey reached more than \$48 billion. This represents steady growth from previous years and demonstrates the resilience of our tourism sector, even after the unprecedented challenges of the COVID-19 pandemic. This spending is not just numbers on a page; it translates into over 500,000 jobs supported by tourism in New Jersey.

To put that into perspective, tourism accounts for nearly one in 10 jobs across the state. These are not just seasonal positions, although, summer at the shore is legendary. They are year-round careers in hospitality; lodging; restaurants; retail transportation; and cultural institutions. They represent livelihoods for hundreds of thousands of New Jersey families. Nowhere is the impact of tourism more visible and more vital than along the Jersey Shore. From Sandy Hook to Cape May, from Long Beach Island to the Wildwoods, the shore is not just a vacation destination, it is a cultural touchstone for millions. Families have passed down the tradition of going

down the shore for generations. In 2024, the shore counties of Monmouth, Ocean, Atlantic, and Cape May accounted for more than half of all tourism spending statewide. Combined, these counties generated over \$25 billion in visitor expenditures. Cape May County alone welcomed more than 10 million visitors last year, producing nearly \$8 billion in direct tourism demand, a remarkable figure for one of the smallest counties in our state by population. Tourism in the shore region is also one of the strongest tax contributors. Visitor spending at the shore generates hundreds of millions in state and local tax revenues each year, funds that support schools, infrastructure, law enforcement, and essential public services, easing the burden on local taxpayers.

The duty of tourism's impact is its reach across sectors. When a family visits Wildwood or Seaside Heights, they do not simply buy a room, a hotel room. They buy dinner at a family-owned restaurant; they buy gas at a corner station; they purchase beach tags, boardwalk treats, and souvenirs; and tickets to amusement rides. They visit wineries; craft breweries; lighthouses; and historic sites. Each dollar spent by a visitor circulates through our economy, multiplying its impact. According to tourism economics, every dollar spent by a tourist generates a \$1.25 in total economic activity. When you account for indirect and induced effects, this means the \$48 billion in direct visitor spending in New Jersey in 2024 actually produced nearly \$60 billion in total economic impact statewide. One of the most compelling arguments for supporting tourism is the way it offsets the tax burden for New Jersey residents. Visitor spending generated over \$6.1 billion in state and local tax revenue last year. Without tourism, every New Jersey household would have to pay nearly \$1,900 more in taxes annually to

maintain the same level of government services. So, when we invest in tourism promotion; infrastructure; and development, we are not just supporting visitors, we are supporting taxpayers across the entire state.

The shore serves as the entry point for many first-time visitors to New Jersey. They may come initially for our beaches, boardwalks, and festivals, but often extend their trip or return in other seasons to experience the cultural, culinary, and historic assets found in every corner of our state. Events like the Wildwoods' Thunder Over The Waves Airshow; and the Barefoot Country Music Festival; Atlantic City's concerts and conventions; and Cape May's Victorian Weekends draw hundreds of thousands of visitors. Seasonal festivals from lighthouse challenges to seafood festival, and wine trails, bring vibrancy to our towns well beyond summer. The shore is not simply a seasonal destination. It is a year-round driver of visitation and spending.

We must also remember that New Jersey does not exist in a vacuum. Our neighboring states -- New York, Pennsylvania, Delaware, and Maryland -- are all aggressively investing in tourism marketing and in infrastructure. To remain competitive, New Jersey must continue to invest in promoting our assets; upgrading our facilities; and ensuring our beaches, boardwalks, and transportation networks are world-class. Every dollar the State invests in tourism promotion returned many times over. Studies consistently show the State tourism marketing campaigns deliver returns on investment between \$25 and \$40 in visitor spending for every dollar spent. New Jersey's tourism marketing budget is not just an expense; it's a proven economic development tool. Tourism also plays a critical role in resilience. The shore has faced hurricanes; nor'easters; and rising challenges from

climate change. Each time our tourism industry has been a leader in recovery; drawing visitors back; restoring confidence; and rebuilding our communities.

Looking ahead, New Jersey has extraordinary opportunities. The upcoming FIFA World Cup in 2026 will put our region on the global stage. The 250th anniversary of the United States in 2026 will draw heritage travelers to our historic sites; and the growing emphasis on outdoor recreation, ecotourism, and cultural tourism positions New Jersey to capture new and diverse audiences.

As we consider the economic impact of tourism on the New Jersey Shore, and the state as a whole, I urge this Committee to view tourism not as a secondary or optional sector, but as a primary economic driver deserving of consistent strategic investment. Tourism sustains jobs; generates billions in spending; reduces the tax burden on residents; and showcases the best of New Jersey to the world. But, it does not happen automatically. It requires marketing support; infrastructure investment; workforce development; and strong partnership between the public and private sectors. In closing, I would like to emphasize this: Tourism is not just about visitors; it's about residents, workers, business owners, and taxpayers. It is about the vitality of our communities; the preservation of our culture; and the sustainability of our economy. Thank you.

SENATOR BEACH: Thanks, Ben.

Ben, I want to personally thank you for Irish weekend.

(laughter)

MR. HALPIN: Did you partake?

SENATOR BEACH: I almost lost my breath, so I don't know.

Any questions? Yes, Senator.

SENATOR MORIARTY: Yes.

SENATOR BEACH: You're not going to ask him about smoking, are you?

SENATOR MORIARTY: No.

(laughter)

SENATOR BEACH: Oh, all right, I just wanted to check.

SENATOR MORIARTY: How was the season in Wildwood this year?

MR. ROSE: It was-- It's hard to say; we haven't gotten our July numbers yet, believe it or not; we have not gotten our July tax numbers.

SENATOR MORIARTY: How about Canada?

MR. ROSE: Canada was down considerably, at least 60%, in my estimation.

SENATOR MORIARTY: So, so we're down since our President called Canada the 51st state; unnecessary tariffs; other weird behavior; this had a direct impact?

MR. ROSE: A very direct impact.

I think Cape May County itself draws about 12% of its total visitor basis from Canada. And, we kind of lost 60% of that this year, in my estimation. But, Diane will be speaking next; she can talk more about the counties -- the impact of Canadian tourism on the county in general. But, I know in the Wildwoods, it was at least a 60% decline in tourists. And, we were getting emails saying, "We'll see you in four years," and, they just--

SENATOR CRUZ-PEREZ: Oh my God.

MR. ROSE: --were not going to come.

SENATOR MORIARTY: No, it's very, very bad.

MR. ROSE: Yes.

SENATOR MORIARTY: It's hard enough to do your job and all the public -- all the money that you spend on promotion and advertising, and then to have your government undermine that, that's not good.

So, hopefully, the final numbers aren't totally in the tank, because things are-- Wildwood was never on the top of my list because I just wasn't used to it. But, you guys are doing a great job--

MR. ROSE: Thank you, sir.

SENATOR MORIARTY: --and, expanding it and doing a wonderful job marketing down there; and, I'm sorry that you're getting hit by forces beyond your control. Hopefully you can bring some of those people back, because a lot of great things are happening in Wildwood.

What can we do to help you from the State level? The State government can help you.

MR. ROSE: Well, at the State level, we need more tourism dollars going to the State Department of Travel and Tourism. Right now, you look at cities like Ocean City, Maryland -- which is a main competitor of ours -- they're marketing budget alone is \$14 million. The state's total marketing budget for the entire state is \$17.6 million. We're outspent by Philadelphia; we're outspent by Ocean City, Maryland; by Myrtle Beach; by Virginia Beach-- Virginia Beach, I think their budget is \$34 million, just for Virginia Beach.

SENATOR MORIARTY: I'm all in on spending two, three times what we're spending, because we will get it back.

MR. ROSE: Yes.

SENATOR MORIARTY: And, then some, and much more.

So, you don't have to convince me advertising works; I've been in that field for my entire life. So, I'm with you, and I would support any kind of changes at budget time to spend more money because it's a great investment.

MR. ROSE: And, the beauty of the State Department of Travel and Tourism, they allocate dollars to the individual DMOs; they get that money right down to the DMO level, and, have each individual DMO market their destination and their region.

And, that's a major priority/plus for us as well. So, the more money we have, the more that will go down to the DMOs; the more that will market the individual regions; and move people around the state.

SENATOR MORIARTY: Thank you for being here.

SENATOR BEACH: Thanks, Matt.

MR. HAPLIN: Thank you.

SENATOR BEACH: You want to speak?

SENATOR POLISTINA: And, I have a question, just a comment, because a couple of the speakers have mentioned the regulatory environment; I know Michael Egerton did; Ben just did.

It relates specifically to right now, to this rule-making process that we are going through that is happening right at this very moment, with-
- They did 1,000 or 1,100 pages that they initially called "Protecting Against Climate Threats." I think they changed the name because of the divisiveness that that type of title would give. But, the-- It is going to have a significant impact on the shore down here -- Atlantic County, Cape May County. And, it relies upon a 2019 Rutgers study that we think has been debunked; it had been superseded by additional work at the Federal level. And, I think that

this is an area where the Legislature should be a part of the discussion, and (indiscernible) coming up with that the regulation should be. So, I've made the point to the DEP Commissioner and the Governor. If what they're relying upon comes to fruition in this report, and they make everybody elevate, and we all know that sea level rise is happening; and we all know that we have to be more resilient; we all know that we're going to have to protect against these things; we get it and it must happen. But, Absecon Island, if what they say happens actually comes to be, it's Venice. You're going to elevate these buildings to an extent that is going to cost people fortunes; you're going to decimate the city of Atlantic City because some of those row homes and some of those other structures are never going to be elevated to that extent, and all the roads are going to be under water. And, we're not really taking into account the fact that you will not have the accessibility to any (indiscernible). So, this is an area that I think that the Legislature, all of us, should have a role, all the communities we represent, and it should be done through a legislative process as opposed to just an Executive Branch rule-making process. And, a couple people have mentioned it, and we'll see what happens over the next few months, of course lame duck could be a little bumpy. But, we think that everyone here should have a role.

SENATOR BEACH: Thanks, Senator.

SENATOR POLISTINA: Thank you.

SENATOR BEACH: Thanks, Ben, appreciate it.

SENATOR CRUZ-PEREZ: Senator Beach.

SENATOR BEACH: Oh, oh, wait a second, I'm sorry, Senator Cruz-Perez.

Go ahead, sorry.

SENATOR CRUZ-PEREZ: You mention that the entire budget for marketing is \$17 million.

MR. HAPLIN: \$17.6 million.

SENATOR CRUZ-PEREZ: Of that budget, how much actually comes to South Jersey?

MR. ROSE: That's a good question, I don't have that answer right now.

SENATOR CRUZ-PEREZ: I would love to know.

MR. ROSE: I know individual DMOs get approximately close to half a million of that in Cape May County to market Cape May County.

And, not all of the \$17.6 million is going to marketing. That's the entire budget the State Department of Travel and Tourism has for everything.

SENATOR CRUZ-PEREZ: For everything.

MR. ROSE: For *everything*.

Yes.

SENATOR CRUZ-PEREZ: OK.

MR. ROSE: Yes.

SENATOR CRUZ-PEREZ: If we can get that information--

MR. HAPLIN: Yes, absolutely.

SENATOR CRUZ-PEREZ: --very interesting to see how much South Jersey is getting.

OK.

SENATOR BEACH: Finished, Sarge?

OK, thank you. Thanks, Ben.

MR. ROSE: Thank you very much.

SENATOR BEACH: Diane.

And, Diane, before you begin, I read somewhere that you received a special award-- I don't want to--

D I A N E W I E L A N D: Fifty years in the tourism industry.

SENATOR BEACH: Yes, yes, something--

SENATOR CRUZ-PEREZ: Woo-hoo!

(applause)

SENATOR BEACH: And, the work you do is amazing.

I saw that something like more than 80% of the people who visit Cape May County return.

MS. WIELAND: Yes.

Eighty-six percent of our visitors return each year.

SENATOR BEACH: That's fantastic, thank you.

Go ahead, Diane, please.

MS. WIELAND: OK.

Thank you for your invitation to be here today. My name is Diane Wieland; I'm the Director of the Cape May County Department of Tourism, and the Chair of the Southern Shore Region DMO. As I said, I've been here 50 years; I started 1975--

SENATOR BEACH: Oh, you were 5 years old, sure.

(laughter)

MS. WIELAND: I was; I wanted to explain that I was very, very young when I started, but, more importantly, I was 6 feet tall.

(laughter)

It has not been easy. Today, I'm going to specifically talk about shore tourism at the Monmouth, Ocean, Atlantic and Cape May counties.

These-- There's 127 miles of pristine beaches; iconic boardwalks; family friendly attractions; and a wide range of lodging options. From the historic charm of Cape May to the entertainment capital of Atlantic City, to the magic of LBI and the allure of Bay Head, the shore is the heart of New Jersey's tourism industry. Shore tourism stands as an essential pillar for both the region and State economies, yet its significance is matched by its sensitivity to external factors. The sector's fragility is evident in the susceptibility to short-term but highly disruptive events. Over the years, the shore has faced a series of formidable challenges including hurricanes; nor'easters; coastal erosions; recurring tidal flooding; and unprecedented impact of COVID-19. Despite these obstacles, the resilience and adaptability of the shore communities have allowed the industry to persist and even thrive in the face of adversity. The enduring appeal of the Jersey Shore's coastal destinations lie in their natural beauty, welcoming atmosphere, and strong sense of community. In 2025, the shore's ability to withstand the economic uncertainty was rigorously tested, requiring stakeholders to innovate and intensify their efforts to mitigate the adverse effects of the challenging economic climate. Through collaboration, strategic planning, and shore community-- The shore communities demonstrated the capacity to work harder and smarter, ensuring the continued viability of this indispensable sector. Historically, the New Jersey Shore has been a significant driver of economic activity and sustained growth for the State, accounting for approximately 50% of statewide visitor spending. The shore counties have consistently contributed substantial tourism-related revenue.

Despite a robust foundation in '24, preliminary indicators suggested that the summer of 2025 could experience a softer performance

than initially projected. This trend reflects a broader global challenge rather than issues unique to the Jersey Shore or New Jersey. As the 2025 summer season began, the shore region -- shore tourism industry approached with cautious optimism. The previous year, 2024, was record setting, attracting 50.9 million visitors to the shore, and generating \$50.6 billion in direct spending. This represented 50% of the statewide tourism revenue, with just four counties. Shore tourism supported over 150,000 jobs in hospitality, retail, and recreation. These jobs are locally rooted in sustaining small business in year-round communities. However, as we started the year, economic factors, new travel trends, and slower reservations indicated that 2025 was not on a track to maintain the momentum of the prior years. Inflation and economic uncertainty were contributing to reduced discretionary income while changing travel preferences continued to reshape expectations throughout Monmouth, Ocean, Atlantic, Cape May counties. Small businesses along the shore counties were confronted with the prospect of fewer visitors and decreased spending. This concern was rooted in the projection that both domestic and international tourist numbers would fall, with a notable decrease in Canadian visitors. The Canadian market, which had not fully recovered since the pandemic-related closures during two summers, had not fully recovered from the 2019 numbers. Cape May County's had a marketing team in Canada since 1968; we had a full-time office in 1970 through 1975; we've maintained -- continued to maintain a presence in Canada, one of the only in New Jersey. Virginia was another one, and they no longer are marketing in Canada. We were able-- We enjoyed a 79% visitor rate from the province of Quebec. Ninety-nine percent of our visitors to Cape May County are from the province of Quebec. It's an easy

nine-hour drive, straight down, and we found that while we were marketing in Ontario, most of those people are looking for fly markets, which we are not considered a fly market at all, so, they like their European vacations, and they like to be in all-inclusives. Cuba is one that they enjoy visiting more than coming to us. We usually have between 7 and 9% of our visitors during July and August; that's not a total number for all -- the whole summer season or the whole year. And, many-- What we found that in by March we noticed that more and more reservations were cancelled. Many of our Canadian visitors make the reservations before they leave the prior year; they like to come at the same time. Quebec has a construction holiday in which construction businesses and ancillary businesses are closed down for two weeks. It's usually the last two weeks in July, first two weeks in August. We also know that they have the same school calendar as we have, so when they travel with family, they're more likely to travel in the summer. They will spend their winters in other warmer locations than New Jersey.

While some of the people did point out to political reasons why they were leaving, we were hearing more often that their reason for cancelling was due to their economic circumstances. Many of the Canadians come back to the same place; the families, they're three generations. They come back year after year, and they become family with the hotel owners. They like to share their highlights of the year; marriages; grandchildren; things like that. So, they like to be -- they're part of the family -- they like to be there. Our businesses feel the same way with the Canadians. There's exchanging of Christmas cards, and invitations to baby christenings and things that really warms your heart because we have this great relationship with the French-speaking sector of Canada.

The majority of the people, from what we were hearing from our businesses -- hotels, business owners, as well as the campground -- that the majority were talking about their economy. And, if we wanted to judge the economy based on the cost of a dozen eggs, they were in the same situation we were. However, they were also seeing other increases that were impacting their core household expenses. In February, we did a little chart, while they buy their gas by the liter, if we computed that to a gallon, they were paying over \$7 a gallon for gas. And, this is to go to work; to do their family activities; so, it impacted them weekly. As we started to get more into May, June, it was down to \$5.69 a gallon -- equivalent to a gallon. So, we saw that; we know that most of their investment is government investment, not private industry investment in Canada. They had a high level of personal debt; they were having the same issues that we were having with the economy. And, when you have those problems, it's going to impact your discretionary incomes from where tourism and vacations come from. So, we were hearing a lot more of that; we were looking into what I do. I study a lot of that because that's an important part of what we have been doing as the County Department of Tourism to nurturing and trying to maintain our Canadian business. But, the other thing that happened was, at that time, when they're making their plans, the exchange rate for the Canadian dollar was at 70 cents. So, not only were they impacted by the economy, the value of their dollar was reduced by 30 cents. That's a little hard for people to try to maintain what they had in the past.

They were also promoting -- we saw some of the commercials -- where their government was promoting staycations, which is smart. Of course, stay home; keep spending your money in Canada; and, so, that's what

people were doing. And, as we started to see, some of our hotels -- say a 50-unit hotel -- I talked to the owner; he lost five reservations. So, he's down about 10%. Then, his next breath was, "But, it took me about three days and we were able to fill those rooms." Campgrounds-- One of the largest campgrounds we have in Cape May County is about 1,100 campsites. They were also alarmed by the number of cancellations. He was looking at between 20% and 25% had cancelled. However, he also said, "You know, if I can't fill my campground in July and August, then I'm doing something wrong." So, he was telling -- reporting that he was also filling them in. Now, get-- Fast forward to May and June, the reservations from Canada started coming back. People-- He mostly surprised that some people arrived Fourth of July weekend with no reservations. Imagine packing your family up and driving nine hours to, and not have a reservation. But, the response from our business owners was, "We are delighted to see them coming back; we are happy; we expressed that to them that we're happy to see them back." A lot of them-- One story in particular at a campground was, "I will not give up my two weeks in paradise for politics." So, it kind of looked like politics is a winter sport. And, when things started warming up -- and you know in February how cold it is in Canada -- now you're starting to thaw out a little bit and think about your summer; so, we did see that. We don't have the numbers; we're still working on those, but, I'm going to say, like Ben was saying, we're about 30% to 40% off in Canadian visitors. But, we had not recovered to 100% since COVID, and that was a lot because of their economy. So, while many news articles, in my opinion, were written long before they picked up the phone and called to get the information, the media got it wrong. It wasn't-- They weren't all not coming; they didn't all cancel.

And, when we're talking 10% to 20% cancelled, we did feel the reports came back that they did fill in the rooms.

So, we will continue to work hard in Canada. We have a PR consultant right now who we've had since we closed our office, who works with them. We did an ad to talk about how this was hurting us; we always do an ad in CAA, Canadian Automobile Association. Very similar to AAA, it is just the Canadian branch of it. The ad: Signed; sealed; delivered; everything was ready to roll and I get an email from our salesperson to say that our company CAA CEO said that he would not be supporting any ads in the U.S. That was a \$10,000 ad buy that, with the exchange rate, we were fortunate, was about \$7,000; we had to cancel that. So, we-- What we did to help our cause was we developed a Facebook page and Instagram page in French. We made sure that we were pushing it out there so we had followers. It's all in the French language; that's respectful to them. They appreciate that we give them the message in their language; that's how they prefer it. We worked with our PR consultant, and we were able to do social media in French. We also worked to do with influencers and bloggers to get the message out. There were some that were -- press, newspaper -- they weren't even allowed to come to the U.S. to do stories, but, we were able to work around it, and we felt we had the extra money from the CAA buy that we would put it into some other mechanisms, and we feel that helped, and we'll continue to do that, as long as we have the funding.

One of the things that we found out-- We do an annual survey to our visitors; we use a database for people who have contacted us in previous years. We had about 3,400 surveys that went out; we hit a 26% return rate, which we're really pleased with. We didn't offer them anything. Often they

say, "Give them a prize and they'll--" And, so, we did get some valid responses to our survey, and one of the questions-- Each year the last five questions is on a different subject. And, it was on the economy, and our question was, "How-- Will the economy impact your plans for 2025?" And, 57-- 47% said that it was going to affect them. And, of that 54% of those said they were going to shorten their stay; they were going to cut other expenses in meals, activities, and attractions; and many of them said that they were going to cut their spending -- cut spending in other areas and prioritize it for something special. So, if they all wanted to go out for dinner or they all wanted to go to a special attraction, they would cut dollars here to make sure they could when they were here. So, it caused us a lot of concern. You start here, this is April, and we're hearing that these are some of the issues. So, what we did, we all -- and, Ben was part of it, as well -- come together to decide, "We need to promote value." And, a trip to the Jersey Shore does offer value. We want to create -- make sure that we're promoting that there are affordable lodging options; there are affordable things to do. And, what we noticed when they came is that a lot of the free attractions or the low-cost attractions-- Cape May County Zoo; they had a record crowd. They had over 750,000 people come through the zoo. It's a free attraction. And, for me, as having a family, you go on vacation and you pretty much blow your budget by the third day. So, that allowed people to kind of recoup; go to do things that were affordable. We heard reports of outdoor free concerts, movies on the beach. Things like that did very, very well because people were looking for value and we were able to get that to them. So, we work together to make sure that we could offset some of that economic concerns.

Visitor behavior had also changed. And, in reading some of the trends, it wasn't just for us, it was all over, but, I got a lot of phone calls, we're not getting the reservations. And, while mostly people who were reserving a month and longer out, they were not. Thirty percent of our visitors made the reservations like two weeks out. And, a lot of that's because they're looking for value; they're looking for discounts; thinking that, as it gets closer to the their date, they would get better rates. Lot of times that's not the case, but, they also were looking-- A lot of them were so overscheduled with their work; with their children; families, that they were looking for time that they could all get away together, and that shortened the length of time that it took to make the reservations. So, that was a huge concern when it makes it difficult for scheduling employees and inventory and things like that. But, I want to say that despite these challenges, early in the year there was something positive. We are not-- We have not received our occupancy tax reports from the Treasury, and you could help us with that. We usually are two months out; they're seven months out and we haven't heard since March. So, that helps us as a benchmark for us to know year over year where we are positioned as far as occupancy. And, I've heard that they have a new software system, but, it's been since March, and we need that information. So, I've made calls, and nobody's paying attention, but maybe you can make calls or find out what is wrong.

SENATOR CRUZ-PEREZ: Senator, Senator!

SENATOR POLITINA: On it; we're on it!

(laughter)

SENATOR BEACH: Nobody pays attention to us, either.

SENATOR CRUZ-PEREZ: Hello.

SENATOR POLISTINA: It's all the constituent services we do all day; Diane is calling the State offices and getting information.

MS. WIELAND: And, get no information.

(laughter)

So, that would help us because it gives us some feeling of where we are, metrics of where we are as far as tourism and lodging. What we found is that on average, the shore communities generate the spending -- per person spending is \$554.57. And, in non-beach counties in New Jersey, it's \$312. So, this just underscores how important the shore communities are and the Jersey Shore, and the important part they play in generating not only occupancy tax, but sales tax and generating dollars for the tourism. We also use-- What we found when we got the first quarter, that Jersey Shore tourism was up 3.87%. So, that was like, a little bit of comfort, a little more confidence that while it seemed it was not as good as the prior year, we were up almost 4%. My prediction is probably overall the shore beaches, the Jersey Shore will be up about 4%. We were up 5% last year, so we're looking at that and how the economy is going to work out at the end when the numbers are finally here. We did hear in summer -- we constantly call our stakeholders -- restaurants were reporting in July and August that the lines were long; which, you don't want to be in that line, but that's how they can judge. When they're a 45- to 60-minute wait, that's a good thing; they feel good about that. We know that the Cape May had a very good summer. We know that Memorial Day, which is a benchmark, Fourth of July, and Labor Day all had-- We had record crowds in Cape May County; and I think that's all going to help for the shore tourism.

When we look at the return on investment-- This is the return on investment from people who spend money here, not what State is spending to market. We used to hear that was like for every dollar, you got \$30 back. I'm not so sure that that is the case because that now hasn't changed, but the amount of return has increased over the years. The return on investment for dollars invested is \$1.59 in economic return. This is strong and it supports what is considered a \$40 billion economic development, or for just economic impact just for the shore towns. The return is \$1.59 for the beach towns; it's \$1.58 for all the rest of the 17 non-beach counties in the state. I always look and see where we positioned with those numbers. And, New Jersey and the Jersey Shore is in a very good position compared to other states. Tourism in California, their ROI is between \$1.16 and \$1.70, and we're \$1.59. They have the largest return on generating visitor spending. Florida has not been able to recover since COVID; their return is 58 cents. We all think Florida is doing so great, we are hearing that that's not so much. Hawaii is \$1.60, and we're \$1.59. So, when we look at it, the competitive performance of the Jersey Shore not only highlights the effectiveness of the current marketing infrastructure strategy, but also justifies ongoing investment in these areas, as well as in visitor services. So, that kind of puts us in a pretty good position for New Jersey and for the State. One of the concerns that I find is that we have this high visitor spending rate, but we are not able to really promote beyond where we normally do. We on the Jersey Shore, we are promoting to New York; New Jersey; Connecticut; Northern Virginia; D.C.; those are the areas we're going. We in Cape May County are promoting to Canada, as well. But, there is such opportunities right now to expand what we're doing and to bring people from a further distance. The

experiences they can get here far surpass our competitors. They far surpass anything you're going to find in other southern beach counties, Outer Banks; Virginia Beach. So, we have the visitor experience; we promote it; and we need to get funding, additional funding, to help us. That we've always known; it's never enough. But, we just know that we're woefully underfunded for tourism promotion for the return the State gets. When you look at Cape May County, we generated \$669.5 million in tax -- State, and local taxes. That's like \$180 a day we sent to Trenton to help with -- in support of the taxes; we're not getting that back. We always hear there's no funding, and we know that Southern New Jersey kind of gets the short end of the stick, but we're an important part. The Jersey Shore is an important part, and we kind of seem to be the powerhouse for the state.

So, one of the things I will close with is that we seem to have a little bit of optimism that things are good, and that's what we all were worried about. And, we appreciate your support for New Jersey tourism and we value your partnership, and look forward to delivering a positive final report, and we're anticipating a win for New Jersey -- with a collective sigh of relief. And, I'm just going to close with, whew! We think we did it; we think we did better than last year, which is all we look for.

SENATOR BEACH: Thank you, Diane.

I would just -- a little advertisement -- if anyone in here has not visited the Cape May Zoo, it's a delightful day and you should definitely do it. And, I-- I go there, and I went there, and you can't pay--

MS. WEILAND: No.

SENATOR BEACH: It's free.

MS. WIELAND: They appreciate donations--

SENATOR BEACH: They do take donations.

MS. WIELAND: -- and, the donations are used to--

SENATOR MORIARTY: Did you give one?

SENATOR CRUZ-PEREZ: Of course.

MS. WIELAND: -- support--

Yes.

SENATOR MORIARTY: Did you give one?

SENATOR BEACH: Of course, of course.

SENATOR POLISTINA: That's why the guy's sitting in the booth, Chairman.

(laughter)

MS. WIELAND: That bucket--

SENATOR BEACH: I was thinking about setting up a booth.

(laughter)

MS. WIELAND: That bucket is for a reason.

What they have found is that donations far exceeded any amount of money they could put in there, because it supports care for the animals, the clinic, and things like that. So--

SENATOR BEACH: But, it's an amazing place.

SENATOR CRUZ-PEREZ: I know.

SENATOR BEACH: I mean, seriously.

It truly is.

MS. WIELAND: It was rated as one of the top five free attractions in the country.

SENATOR BEACH: I believe that.

And, you were rated one of the top five in the country, too.

(laughter)

So, thank you. And, any questions?

SENATOR POLISTINA: Thanks, Diane.

SENATOR BEACH: I think we only have the room 'til 1 o'clock.

(laughter)

But, I know we--

MS. WIELAND: If I can just add, really quickly--

(laughter)

SENATOR BEACH: Go ahead, go ahead.

(laughter)

You're going to get us thrown out of here, Diane.

MS. WIELAND: I can find funding for you.

The occupancy tax funding is -- the formula is skewed. And, last year we generated \$196 million statewide; the law says 40% goes to support arts, history, and tourism; and, 20.8% was allocated. There's some money there that can be used on more marketing.

SENATOR BEACH: That's why you have Matt.

SENATOR POLISTINA: Yes.

MR. HAPLIN: I'm on it, I'm on it.

Michael, come on up, before we get kicked out of here.

SENATOR BEACH: All right, Michael.

You're our last speaker, no pressure.

MICHAEL SNYDER: Uh-oh, uh-oh.

Well, I have good things to talk about, so this is different. This is a little of the-- We're not just the shore part of the conversation, so--

SENATOR BEACH: OK.

MR. SNYDER: Good afternoon, Committee; Senator Beach, thanks for the invitation.

My name is Michael Snyder; I am with Visit South Jersey, so, I am the other side of the state from the shore. I include Burlington; Camden; Gloucester; and Salem counties. And, I also help promote the Outer Coastal Plain Wine Region, as well, throughout the entire southern part of New Jersey. It's a pleasure to be here today; I'm going to actually cut my comments down a little bit, because my friends behind us have really talked about some of our major concerns and major needs in tourism. But, what I do want to talk to you today about one of our biggest attractions to South Jersey is our wineries. So, just to give you some numbers, for you, this is coming from a study from Wine America. The New Jersey wine industry demonstrates -- generates -- over \$5.64 billion in economic activity statewide. There are currently 86 wine producers in the state, with 57 active tasting rooms, with more than 1,000 acres of vineyards throughout the state.

The industry and its supporting businesses supports nearly 30,000 jobs, both directly and through supplier industries. Wineries attract over 617 tourist visits annually, contributing \$117.8 million in spending, and the industry as combined with its suppliers and everything, nearly contributes \$820 million into State, local, and Federal in tax revenues. So, that's a pretty big amount. And, for my four counties that I represent, one of my biggest attractions, or one of my biggest things I do promote is our wine region, because we do encompass the majority of them from throughout the state. And, I'll probably say, some of the better ones, too. But, that's just me. I'm from Salem County from multi-generational farms and wineries that preserve farmland and their heritage, to wineries in Camden and Burlington county

that are more boutique; that are event-driven wineries that blend world character with modern experiences. We have the perfect soil in South Jersey to compete with not only wines of California and Texas, and Virginia, but from wines from all over the world. And, that was proven 15 years ago with the judgement of Princeton with a blind taste testing with wines from Germany, France, and Italy, where the South Jersey wines -- the New Jersey wines -- won many of the gold awards from that.

SENATOR MORIARTY: What type of wine is that?

SENATOR CRUZ-PEREZ: Wow.

MR. SNYDER: It was a mix from white and red, and to sweets as well.

SENATOR MORIARTY: White and red, mixed?

SENATOR BEACH: No.

MR. SNYDER: No, white wines, red wines, and then sweet wines.

There was a number of different wines that were there.

SENATOR MORIARTY: OK.

MR. SNYDER: That were blind tested.

This season has been difficult for the wineries, just like it has been throughout the United States. I think reports are saying that the wineries in general are 13% down nationwide. Those wineries that have added an event-focused things onto their tastings, onto the wines, have proven to do a little bit better. Talking to one of my wineries today, who started actively doing festivals; food offerings; live music; clubs and craft workshops; anything they can think of, they actually saw a pretty distinct increase in revenue. Now, their wine tastings was down compared to the last

year, but that extra events focus about their total gross (indiscernible) of plus 30%. So, I think those wineries that are implementing these newer ideas will probably going to be the ones that survive. My understanding is that there are six small wineries that are currently for sale in the state. A number of them are-- Since they are so small, they're hard to sell because there's not a lot of acreages; so, not a large conglomerate, or a large business would want to come in. So, our fear is those wineries and those acres are going to go to waste.

SENATOR CRUZ-PEREZ: In our region?

Right here?

MR. SNYDER: In the state, in the state.

SENATOR CRUZ-PEREZ: In the state.

MR. SNYDER: Yes, of the six wineries that I'm aware of, there are two within my region; in the southern part of my region.

Challenges and needs: We just talked about a little bit of the financial side of things, the difficulty that we're having. Since COVID, there's been a shift in how people are spending their money, in all facets of life. So, wine drinking -- and, this can refer to wineries, distilleries, and breweries -- that's not a Number 1 need. Milk, eggs, food, that's the most important. So, wine is secondary. So, those people who are used to -- who need to save money in their economic conditions -- they're shying away from the wine experience. And, that's having a national impact. So, we're actually looking into that and seeing what we can do to not only change the experience that people have at the wineries, make it more family friendly; more events driven like I've talked about earlier; but, changing the strategy of the marketing that we're doing. So, the way that we market -- just like we do

(indiscernible) -- so, the way we used to market before is not the way we need to market now. So, the wineries are starting to see that, and they're changing their ways with some proven success.

Challenge and needs: I think, as we talked about here, sustainable funding, not only for the DMOs and for the state, but a number of our wineries would advocate for dedicated agritourism budget coming from whatever budget we can get it from that they could use.

Visitor data and research: It's really hard for a small winery, or a small operating winery, to really know what the actual data and what the visitor is other than counting their books and doing that thing. So, dedicated or standardized system of visitor tracking would be very helpful. And, then, just more money for marketing. So, just using the internet productively; Google ads, Google search, getting away from the print billboards side of things, which our wineries are starting to look at. But, the good thing is, we have two major events which we talked about already, the FIFA World Cup, and my region is right in the middle of it. So, we're five minutes from Philadelphia; we're one hour from the Meadowlands. So, we are in a perfect opportunity to really promote all of our agritourism businesses, not just the wineries, the farmers; the pick-your-owns; the farmers markets; anything that you can think of, we're in a perfect position to introduce South Jersey to the world, and we're very excited about that. Excuse me, one second. Visit South Jersey has also-- To get ready for the FIFA World Cup, we've formed a community activation guide for our downtowns of our businesses, so they can come up with their own ideas to promote not only the locals to enjoy the World Cup, but also for people who are coming into the region to enjoy the World Cup and the 250th Anniversary.

We're looking forward to working with the State, and anything that we can do to promote our cause, not only from the tourism side of things, but from agritourism side of things, we are here ready to help. And, on a personal privilege, if you are in the Camden area this weekend, starting Thursday is the Homecoming 250 celebration, which is the anniversary of the Navy and Marines. I know that on Camden Waterfront on Tuesday the 13th there will be a concert and fireworks, so please join us there.

Thank you so much.

SENATOR BEACH: Thank you, Michael.

I think one of the other things I'd like to address with my colleagues, is a lot of our laws are antiquated as we deal with the cottage industries of wineries; breweries; distilleries. And, we need to take a look and reevaluate the number of events. I mean, we *limit* the number of events that a winery can have. And, we do some things that are just plain stupid. And, we need to reevaluate that.

(laughter)

SENATOR POLISTINA: Not the State of New Jersey would ever do anything stupid.

SENATOR BEACH: Oh, oh, oh, yeah.

(laughter)

Anyway, that's a conversation maybe we have with Matt, down the road. So, Matt, would you like to like kind of pull your speakers together, draw like a final comment?

MR. HAPLIN: I'm going to defer the time back to you, Mr. Chairman, I know you've got to give up the room.

So, thank you just for having us here today. And, I'll just say that we want to be a resource. Please come to TIA; come to me, we'll get whatever information and we have a few follow-ups, keep us in my mind. You'll be hearing from us very shortly, lame duck and restoring that funding. So, thank you.

SENATOR BEACH: OK.

And, I just wanted to thank all the speakers. My attention span is usually about 15 minutes and I'm nodding off. But, you guys were all great, extremely informative, and I am so pleased that we were able to do this today. And, Juan made it happen, so thanks, Juan. And, should we tell them our new state vegetable? So, we're going to introduce a bill; our state vegetable is going to be the eggplant. And, there's a lot of reason for that. You would obviously think it would be a Jersey tomato or Jersey corn, but we export more eggplant than we do tomatoes, corn, et cetera. Right, Juan?

MR. SERRANO-FLORES: Yes.

SENATOR BEACH: So, we'll--

SENATOR MORIARTY: Do you think you'll get votes?

SENATOR BEACH: --be working on that in lame duck.

SENATOR MORIARTY: Think you have the votes?

SENATOR BEACH: I am now.

SENATOR MORIARTY: I don't know.

SENATOR BEACH: I don't know.

Well--

SENATOR MORIARTY: Tomatoes are going-- Tomato's going to fight you.

SENATOR BEACH: -- some people you'd prefer they don't vote for your stuff.

(laughter)

Troublemakers, you don't want them. Anyway, thank you, everyone; our meeting is now adjourned.

(MEETING CONCLUDED)