

JOINT COMMITTEE HEARING ON TOURISM

Wednesday, March 16, 2016

9:00 A.M.

Hearing Room 1, North Office Building (Main Capitol Complex)

Testimony on behalf of HeritagePA

Good Morning.

HeritagePA is a statewide non-profit association comprised of twelve state designated Heritage Areas, 5 of which also hold a National designation. These areas, selected because of their significant cultural, historic, natural and recreational assets, were developed through a strategic planning process grounded in public participation. Pennsylvania's Heritage Area Program - a national model - has been in place for over two decades and during that time have developed tremendous tourism products and enriched communities livability across the Commonwealth.

All twelve Pennsylvania Heritage Areas share fundamental philosophies and goals including:

- To strategically plan for and invest in the Commonwealth's tourism industry
- To conserve historic and cultural resources
- To conserve and enhance the development of natural and recreational resources
- To develop educational and interpretive resources
- To help stimulate heritage tourism and economic development
- To establish partnerships that help steward the advancement of PA communities

Through HeritagePA, heritage areas continue to advance their work, partnering with elected officials, state agencies, tourism professionals, and grassroots organizations in order to protect and enhance what makes Pennsylvania unique – natural beauty; the history and heritage that created this Nation; a culture rich with amazing artistry and ethnic traditions; and a plethora of recreational experiences - all of which provide residents and visitors with authentic experiences and a rich quality of life.

Conserving and preserving an area's heritage resources that reflect the distinctiveness of the people and events that led to its beginning, gives communities their identity. Those resources and their stories, produce tourism products that are both authentic and connect visitors to the communities' lives. To lose the cultural, historic, and natural resources that set Pennsylvania apart from other states would be

devastating to not only its tourism product but its residents as well. These resources must be conserved and managed.

In 2014/2015, the Center for Rural Pennsylvania undertook an economic impact study of five Pennsylvania Heritage Areas. The research involved a survey of heritage-area visitors, interviews with stakeholders in the five study heritage areas (HAs), and an estimation of the economic impact of the heritage-related visitation to all 12 HAs statewide.

Overall, the research found that tourists spent an estimated 7.5 million days/nights in Pennsylvania's 12 HAs in 2014, purchasing \$2 billion worth of goods and services. The total contribution of heritage visitor spending (direct, indirect and induced effects) to the state's economy was 25,708 jobs and \$798 million in labor income.

The research also indicated that Heritage Areas contribute positive economic benefits to their local geographic regions in two ways:

- HA organizational expenditures and the work of HA staff facilitate economic development projects in their regions. This involvement increases the economic impact within each local region. This also enhances the economic value of HAs as they may use technical expertise to promote economic development with partners. For example, the five study
- HAs documented specific examples of economic development success, including more than 151 new tourism-related businesses in the past 5 to 10 years. These businesses provide evidence that the HAs play a role in their areas that yields beneficial economic and social returns

Pennsylvania is the leading state in this country's heritage development movement. In fact, Maryland and Utah have modeled their own programs after the PA Heritage Areas Program. In 2000, delegates from Utah's Governor's Office visited Pennsylvania to learn more about the heritage park system. "Utah is just beginning to realize the potential of heritage tourism and the opportunities it can provide for the rural areas of our state," said Wes Curtis, director of the Governor's Rural Partnership, State of Utah. "Rather

than develop this potential from scratch, we decided to look to the state that seems to be doing these things better than anyone else -- Pennsylvania. Through our investigations and research on who's doing what and how it's being done, we have concluded that the Pennsylvania approach seems to make the most sense."

Heritage Areas are the organizations that develop, build, revitalize, and restore Pennsylvania's heritage tourism infrastructure. It is that work which helps small businesses survive and thrive. It is that work which gives the DCED's tourism office and the TPA/CVB/DMO community a visitor-ready product to market. Their marketing drives new money to PA.

Visitors do not see and are not interested in political boundaries. They come here to learn about history and heritage, to enjoy Pennsylvania's wealth of cultural venues, to immerse themselves in our rich natural and recreational resources. Even if the venue is in the next community or county, the impact is felt regionally.

Heritage Areas are economic generators. They are also image makers. Both contribute to the health of the Commonwealth and benefit your constituents.

HeritagePA and its individual areas see themselves and their work as integral part of Pennsylvania's tourism product and its importance to the Commonwealth's economy. The relationship between heritage areas and the marketing side of the industry, in my opinion, can best be explained relating it to the real estate industry - Heritage areas are the "developers", we build the visitor ready infrastructure in partnership with communities, organizations and destinations and creating authentic and immersive experiences; the state along with its CVB/TPA/DMO partners are the "real estate agents", selling the product, putting "heads in beds" and delivering new money to Pennsylvania. Together, we are all sustaining and growing this vital piece of the Commonwealth's economy which provides family sustaining jobs and introduces visitors to a great place to live, work, play and prosper.

We applaud the work of your Committees and PATT in working toward the advancement of a strategic plan strongly utilizing partnerships with the private sector to market and promote Pennsylvania as a must

see destination. HeritagePA has a representative on PATT'S board and been very engaged in the effort. I speak for all of my colleagues when I say that we look forward to working with you and other members of the tourism industry to finalize and pass legislation that will sustain and strengthen the economic impact of tourism on communities throughout the Commonwealth.

Thank you for your time.