

DISCLAIMER

Electronic versions of the exhibits in these minutes may not be complete.

This information is supplied as an informational service only and should not be relied upon as an official record.

Original exhibits are on file at the Legislative Counsel Bureau Research Library in Carson City.

Contact the Library at (775) 684-6827 or library@lcb.state.nv.us.

Communications
Workers of America
AFL-CIO, CLC

501 Third Street, N.W.
Washington, D.C. 20001-2797
202/434-1410 Fax 202/434-1481

Barbara J. Easterling
Secretary-Treasurer

March 19, 2002

Manuel J. Cortez,
President & CEO
Las Vegas Convention & Visitors Authority
3150 Paradise Road
Las Vegas, NV 89109

Dear Mr. Cortez:

We are writing to oppose the tax increase on room rates in Nevada.

As you know we are one of the unions that schedules frequent conventions in Las Vegas. With the down turn in the economy we must look for reasonable room rates for our attendees. Those cities with high tax rates are no longer given consideration by this organization.

We like Las Vegas! It is a good Union City! Don't let the Nevada state legislature prevent us from returning.

Sincerely,



Barbara J. Easterling
Secretary-Treasurer

EXHIBIT MM Committee on Taxation

Date: 04/08/03 Page 1 of 4

LVCVA-SB-382

March 19, 2003

Mr. Manny Cortez
Chairman and CEO
Las Vegas Convention and Visitors Authority
3150 Paradise Road
Las Vegas, NV 89109

Dear Manny:

I understand that the state is considering levying a new occupancy tax on visitors to Nevada. Given the rather large stake we have in the ability of Las Vegas to remain an attractive travel destination, we obviously have some grave concerns about this prospect.

In a general sense it seems quite illogical to levy a tax in an area that directly supports one of the state's most important revenue sources – tourism. The characteristic that has always made Las Vegas one of the most attractive destinations in the country is its affordability. To cut into that advantage at a time when the economy continues to flounder and discretionary spending is being squeezed would seem to be ill-advised at the very least. A new tax could further discourage travel to the state at a time when those of us tied to the travel and tourism industries are searching for ways to push travel back to the levels we enjoyed prior to the World Trade Center attacks. Now, the prospect of war with Iraq will only exacerbate these challenges.

From a convention perspective, the positioning of Las Vegas as the most affordable place to hold a major convention is critical to our success. We are already fighting an uphill battle in this regard within the trade show industry as a whole. The costs of trade show services have been rising steadily. This, in combination with the rising costs of hotel rooms and airline fares, has created an enormous pressure on organizers like us. When the economy was booming we were largely insulated from the effects of these increasing costs – all of us were; but now that times are tougher, we are seeing a decrease in participation on both the exhibitor and visitor side of the equation. Cost is at the center of the issue. Ultimately we all lose when our customers perceive that the costs of participating in our shows exceed the potential return. A new tax will only contribute to the perception that Nevada and Las Vegas are no longer interested in remaining cost competitive.

I truly hope that you will share our concerns with the appropriate authorities. This is a serious issue that will have a negative impact at precisely the wrong time.

Sincerely,





THE MARK TRAVEL CORPORATION

March 17, 2003

Mr. Manuel J. Cortez
President and CEO
Las Vegas Convention and Visitors Authority
3150 Paradise Road
Las Vegas, Nevada 89109

Dear Mr. Cortez:

In the last few weeks we have observed a slowing of reservation activity, as there is so much uncertainty in the world that many people are reluctant to travel...and have been for the past year and a half. Now, with a war with Iraq appearing imminent, the travel industry is expected to once again be impacted to a significant degree. How deep this impact will be, and how long it will last, is unknown.

The Mark Travel Corporation work strategically with our Las Vegas Hotel partners in achieving creative marketing incentives to attract the traveler to Las Vegas. Travelers are shopping prices as never before. Consumers are more price sensitive than they have ever been, especially in matters of discretionary income. People have to pay mortgages or rent; they have to pay utility bills and buy food, but they don't have to travel. As a destination, Las Vegas must continue to be perceived as a good value. Increasing taxes on visitors sends the wrong message, and provides a disincentive to prospective visitors.

The travel industry is more competitive than ever before. Increasing taxes that visitors pay means increased prices, which could undermine your competitive advantages.

Each municipality, city, state and federal governments are after the traveling constituent. Not one area is looking at the overall impact as each applies a tax, surcharge and/or fee. New York city learned quickly in the 1980's as they applied a 21.25% hotel tax and lost millions in conventions and meetings that within months they repealed the tax. If the consumer has other options, they will take it.

We provide incentives to people to travel and travel to Las Vegas. Anything you do that would discourage visitors from coming to Las Vegas will only exacerbate your budget shortfalls, not help alleviate them. We strongly oppose any increase in taxes at this time.

Sincerely,

THE MARK TRAVEL CORPORATION

William E. La Macchia
Chairman



United Steelworkers of America

AFL-CIO-CLC

Five Gateway Center
Pittsburgh, PA 15222

412-562-2400 • 412-562-2484 (Fax)

March 19, 2003

Manuel J. Cortez, President and CEO
Las Vegas Convention and Visitors Authority
3150 Paradise Road
Las Vegas, NV 89109

Dear Mr. Cortez,

The Hotel and Travel industry has felt the impact of September 11 and now faces the probability of further cuts with our pending war with Iraq. The United Steelworkers of America has selected Las Vegas for its International convention with few exceptions over the past 20 years due to the fact that it is a cost-effective and unionized location.

The Nevada tax issue and the proposed increase will affect travelers that have so many other options in today's struggling economy. Not only in the business environment, but on a personal matter our members can rate shop while sitting in the comfort of their homes and I fear that Las Vegas will lose their competitive edge. While we continue to find the best value for our association meetings, our 650,000 members have the choice whether to travel at all, both professionally and personally.

I would encourage you to vote against the Nevada tax increase in a time when our interests within the industry are of concern.

Sincerely yours,

A handwritten signature in cursive script that reads "Karen Hoffman".

Karen Hoffman CMP, Director
USWA Purchasing and Travel Department