

**MINUTES OF THE  
TOURISM TASK FORCE**

Monday, October 17, 2005 – 1:00 p.m. – Room W110 House Building

**Members Present:**

Sen. Scott K. Jenkins, Senate Chair  
Rep. J. Stuart Adams, House Chair  
Sen. Patrice Arent  
Sen. D. Chris Buttars  
Sen. Beverly Evans  
Sen. Karen Hale  
Rep. Sheryl L. Allen  
Rep. DeMar "Bud" Bowman  
Rep. Bradley T. Johnson  
Rep. Steven R. Mascaro  
Rep. Karen W. Morgan  
Rep. Peggy Wallace

**Members Absent:**

Rep. Ross I. Romero  
Rep. LaWanna "Lou" Shurtliff

**Staff Present:**

Mr. Arthur L. Hunsaker, Policy Analyst  
Mr. James L. Wilson, Associate General Counsel  
Ms. Glenda S. Whitney, Legislative Secretary

**Note:** A list of others present, copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Task Force Business**

Chair Jenkins called the meeting to order at 1:12 p.m. Rep. Romero and Rep. Shurtliff were excused from attending the meeting.

**MOTION:** Rep. Mascaro moved to approve the minutes of the October 3, 2005 meeting. The motion passed unanimously. Rep. Adams was absent for the vote.

Ms. Leigh Von Der Esch, Director, Office of Tourism, introduced Mr. Nathan Rafferty as the new President and CEO of Ski Utah.

Mr. Rafferty commented on his new position and said that the state of skiing in Utah is on a new frontier. He noted with the high number of 201 ski days last year that skiing generated 875 million dollars in revenues for the state.

**2. Motion Picture Incentives**

Mr. Wilson distributed and reviewed handouts "Motion Picture Task Force" and "Section 63-38f-1801-Purpose." He provided background information on the recommendations from last year's Motion Picture Task Force.

Mr. Hunsaker distributed and reviewed handouts "Pennsylvania Motion Picture Incentives," "Lawmakers consider tax breaks to lure Hollywood to Idaho," and "Hollywood's New Backlot? Louisiana and other States are winning filmmakers' business through tax incentives. By John Horn, L.A. Times Staff Writer." He briefed the Task Force on other state's motion picture incentives and reviewed the current incentives for Utah's film industry.

Ms. Von Der Esch introduced Mr. Aaron Syrett, Director, Utah Film Commission, distributed and reviewed statistics from the handout "Shoot Here Love Life," and discussed film production incentives. It

was noted that since 1999 film production spending in the state has decreased by 66 percent. With the passage of the Motion Picture Incentive Fund, film production spending increased 52 percent in 2005. Production days increased 48 percent, with over 4100 jobs created.

Ms. Von Der Esch and Mr. Syrett responded to questions regarding this issue.

Rep. Adams took over the chair.

Sen. Jenkins suggested discussing appropriations to fund film incentives for the next meeting.

Mr. Don Schain, Salty Pictures, Inc., commented on film production in Utah and his background as a movie producer. He said that the state's film program should be funded at a higher level with some bridge funding, additional money that would be available for film incentives during fiscal 2005 -06.

Mr. Tim Nelson, New Movie Corp., distributed a handout with statistics "Tax Base Consumer Spending - Multiple Effect Example." He reviewed the historical spending by category and the tax base consumer spending.

Ms. Von Der Esch said that a request for bridge funding has been submitted to the Governor's office.

**MOTION:** Sen. Evans moved to direct staff to prepare a letter or look at the correct way to separate the motion picture incentive line item out of the entire budget for economic development and have it go to the motion picture industry.

**MOTION:** Sen. Buttars moved to cut off debate. The motion passed unanimously.

The task force voted on Sen. Evan's motion. The motion passed unanimously with Rep. Morgan absent for the vote.

**MOTION:** Sen. Evans moved for Ms. Von Der Esch to work with staff regarding the use of Industrial Assistance Funds as a supplement to incentivize motion picture productions. The motion passed with Rep. Johnson voting in opposition. Rep. Morgan was absent for the vote.

Mr. Joel Racker, Utah Valley Convention and Visitors Bureau, discussed the positive economic impact for Utah County when the film industry used its convention center.

### **3. State Tourism Branding**

Mr. Mark Hurst, W Communications, discussed the process for branding the state.

Mr. Michael Deaver, Deputy Director, Office of Tourism, explained the activities planned by the tourism Office for the upcoming World Travel Market in London on November 13 - 17, 2005.

### **4. Representation of State Parks on the Tourism Performance Board**

Ms. Von Der Esch discussed the current structure of the Tourism Performance Board, concerns with adding to the membership, and how the board would partner with state parks and land agencies.

Ms. Mary Tullius, Director, State Parks, said her agency had reached an agreement with Ms. Von Der Esch on what it wants to accomplish at state parks regarding tourism issues. She said State Parks will work with the Office of Tourism and expressed the need for more funding from the Legislature for tourism marketing.

**MOTION:** Sen. Evans moved that the Task Force recommend reorganizing the Public Lands working group that was used during the Olympics and have Dr. Burr as the spokesperson.

**SUBSTITUTE MOTION:** Rep. Johnson moved that the task force consider carefully the state parks in its recommendations, and recommend that the person representing public lands be a nominee and be approved by the Utah Association of Counties. Sen. Hale and Sen. Jenkins spoke against the substitute motion.

Rep. Allen suggested amending the original motion by not naming Dr. Burr as the spokesperson. Sen. Evans agreed to this amendment.

**MOTION:** Sen. Hale moved to cut off debate. The motion passed unanimously.

Rep. Johnson withdrew his substitute motion. The Task Force went back to Sen. Evan's original motion.

Sen. Evans amended her original motion with the amendment that removed Mr. Burr's name as the spokesperson. The motion passed with Sen. Jenkins voting in opposition. Rep. Morgan was absent for the vote.

##### **5. Draft Legislation: Uniform Reporting of the Expenditures of Revenues from TRT (Transient Room Taxes) and TRCC (Tourism, Recreation, Cultural, and Convention Facilities) Taxes**

Mr. Wilson distributed and reviewed "Salt Lake County, Utah Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2004." He explained the tax sections of the code regarding TRT and TRCC taxes.

Ms. Nan Anderson, Utah Tourism Industry Coalition, responded to questions on the reporting of expenditures for annual reports.

**MOTION:** Rep. Allen moved to direct staff to bring to the Task Force legislation that requires reporting of the expenditure of the TRT and TRCC funds to counties and their county tourism tax advisory boards, following in the categories required in the legislation. The motion passed with Sen. Arent voting in opposition. Sen. Evans, Rep. Johnson, and Rep. Mascaro were absent for the vote.

Mr. Arie Van DeGraaff, Utah Association of Counties, expressed concern with the breaking down of TRCC tax expenditures explaining that it will create additional cost to counties.

Ms. Kara Trevino, Salt Lake County Council, asked to be involved in discussing proposals for reporting.

**6. Task Force Business**

Chair Adams indicated that the next meeting of the task force was scheduled for Monday, October 31, 2005 at 10:00 a.m.

**7. Adjourn**

**MOTION:** Sen. Hale moved to adjourn the meeting. The motion passed unanimously with Sen. Evans, Rep. Johnson, and Rep. Mascaro absent for the vote. Chair Adams adjourned the meeting at 4:23 p.m.