

## AGENDA

**Irving Convention and Visitors Bureau Board of Directors  
Board and Business Development Committee  
Friday, December 9, 2022 – 9:00 a.m.  
Irving Convention Center - First Floor Boardroom  
500 W. Las Colinas Blvd.  
Irving, Texas 75039**

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NOTE: A possible quorum of the Irving Convention and Visitors Bureau Board of Directors and City Council may be present at this Committee meeting.

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1. Citizen Comments on Items Listed on the Agenda
2. Approval of September 9, 2022, Meeting Minutes
3. Update on Council Discussion on Boards and Commissions
4. 2023 Legislative Agendas
5. Strategic Plan Review and Committee Next Steps
  - a. Outreach to new Council members
  - b. Review of Bookings and Business Trends
6. Committee Chair Report
7. Next meeting TBD

### CERTIFICATION

I, the undersigned authority, do hereby certify that this notice of meeting was posted on the kiosk at City Hall of the City of Irving, Texas, a place readily accessible to the general public at all times, and said notice was posted by the following date and time:

\_\_\_\_\_ at \_\_\_\_\_ and remained so posted at least 72 hours before said meeting convened.

\_\_\_\_\_  
Deputy Clerk, City Secretary's Office

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This meeting can be adjourned and reconvened, if necessary, the following regular business day.

Any item on this posted agenda could be discussed in executive session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and section 551.087 of the Texas Government Code.

A member of the public may address the governing body regarding an item on the agenda either before or during the body's consideration of the item, upon being recognized by the presiding officer or the consent of the body.

This facility is physically accessible and parking spaces for the disabled are available. Accommodations for people with disabilities are available upon request. Requests for accommodations must be made 48 hours prior to the meeting. Contact the City Secretary's Office at 972-721-2493 or Relay Texas at 7-1-1 or 1-800-735-2988.

**MINUTES – BOARD AND BUSINESS DEVELOPMENT COMMITTEE  
IRVING CONVENTION CENTER  
Friday, September 9, 2022**

Those in attendance: Committee Chair Richard Stewart, Board Chair David Cole, Board Vice Chair Robert Bourgeois, Joe Philipp, Karen Cooperstein, Beth Bowman, Yasir Arafat, Colvin Gibson, Sam Reed, and Board Liaison Councilman Kyle Taylor; Maura Gast, Susan Rose, Brice Petty, and Brenda Lopez – ICVB Staff.

Committee Chair Richard Stewart, Jr. called the meeting to order at 9:00 am. Stewart asked for any citizen comments and there were none.

Stewart asked for a motion to approve the Board and Business Development Committee minutes from June 10, 2022. With a motion from Board member Colvin Gibson, and a second from Board member Beth Bowman, the motion unanimously was approved.

**NOMINATING TASK FORCE REPORT & RECOMMENDATIONS**

Board Chair David Cole reported the Nominating Task Force recommendations for next year. The Committee recommended Bob Bourgeois as Chair and Richard Stewart, Jr. as Vice Chair. Cole will present the recommendation at the next Board meeting. Action will be taken at the November Board meeting, with the new terms beginning at the December meeting

Stewart asked for a motion to approve the Nominating Task Force recommendations. With a motion from Cole, and a second from Board member Beth Bowman, the motion unanimously was approved.

**ANNUAL BOARD MEMBER SELF-EVALUATION FORM**

Executive Director Maura Gast reviewed the Annual Self-Evaluation form. It will be distributed at the September Board meeting. The form is typically distributed at the August Board meeting for those who are up for reappointment to have it top of mind when Board members receive their reappointment requests from the City. The evaluation form is a tool to help self-evaluate Board service, and it does not get returned so it is not subject to open records requests. If someone is filling a term that concludes now, they should have received something from the City. The form was updated two years ago and is current.

**UPDATE ON COUNCIL DISCUSSION**

Gast reported on discussions with Councilman Kyle Taylor regarding changes that will be made to the Boards and Commissions Ordinances. Taylor is the Chair of the Boards and Commission Committee. One of the additions to the Ordinance they are discussing is a 75% attendance requirement. Gast noted the importance of the Committee meetings and to give appropriate weight to those as well. Taylor was very supportive of this. The Boards and Commissions Committee reviews things that can be uniformly put in place for all the City Boards. A recommendation that was also suggested is that the City consider holding an optional orientation for all new appointees each year that could include the Open Meetings training and address the time attendance requirements and the Ordinance. This is a recommendation that is being made to the Boards and Commission Committee. Gast also recommends that this should be added to the orientation for the ICVB committee meetings, for those who have not yet taken the training. Gast and Taylor agreed if there were issues with a Board member, the Board Chair would bring concern to Taylor as the Chair of the Boards and Commissions Committee, and he would then bring it to Council. Taylor discussed the success of the Irving 360 Program. Many of the participants are looking for ways they could

serve. A handout will be included in the Board packet for organizations that have Board and/or volunteer service. This information can be given to any person who was not appointed to a Board. Taylor noted that during the meeting they also touched on cleaning up the Board Ordinances and to include a Code of Conduct policy with a uniform attendance requirement. The Council is hoping to get the Ordinance finalized by October. Discussion was held on Board liaisons and interviews. There was overwhelming support from the Council to do one-on-one interviews with set questions and extend the time to 10 minutes for each person.

#### DISCUSSION OF BOARD MEMBER CRITERIA

Gast asked if anyone had any edits or changes to the Board job descriptions that need to be made. It was noted that people are needed who understand and respect sales and marketing and that can advocate with Council members. Board member Joe Philipp agrees that it is essential to have Board members that are aware and have an understanding on their approach with an outreach strategy as new Council members may be elected.

#### STRATEGIC PLAN REVIEW

Gast mentioned the importance of reaching out to new Council Members and to invite them to a Board meeting. Please let Office Manager Carol Boyer know if they will be attending a meeting so there is a seat saved for them. Philipp discussed the opportunity for the Committee to look at the current trends in bookings and business and to discuss quality and quantity of business and suggested to reach out to new Council members with our concerns, through Taylor as the Board liaison. Board member Yasir Arafat suggested the importance of all the City Boards meeting at some point with each Board Chair to share goals. Gast mentioned that our Board does work closely with the Arts and Parks Boards. Taylor mentioned that something like this has been done during the orientation process and he will provide an update at the next meeting.

#### CHAIR REPORT

Stewart encourages everyone to review at the meeting minutes and packets. There is valuable information in the packet with Board information.

Stewart adjourned the meeting adjourned at 9:32 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME  
Executive Director



Date: November 15, 2022

To: City of Irving Board Members  
From: Shanae Jennings, City Secretary | Chief Compliance Officer  
Re: Board Ordinance Amendments - **New**

On February 23, 2012 the City Council approved a general board ordinance (No. 2012-9312) to establish standard guidelines for all boards, committees, and commissions. Over the past few months, the City Council have been discussing various updates to the board ordinance. On October 27, 2022 the City Council approved an amended board ordinance. The following are the sections amended in the ordinance:

**Sec. 38-3. Terms of the Office**

(c) If a board member submits a board application for another board position, the board member shall immediately forfeit the current board position.

**Sec. 38-4. Removal.**

A board member serves at the will of the city council. A board member may be removed by the city council for any cause deemed by the city council as sufficient for removal or for no cause. The city council may remove a board member whose service is found to be in conflict with Article I of the Irving Ethics Code, entitled "Ethics Code of Conduct." (see attached)

**Sec. 38-5. Attendance.**

If a board member fails to attend seventy-five (75) percent of regularly scheduled or special called board meetings within a twelve-month period, the board member shall immediately forfeit the board member's position. The seventy-five (75) percent rule does not apply to boards that meet less than four (4) times a year. If a board holds a work session meeting prior to a regular meeting, each meeting will be considered a separate meeting for purposes of attendance.

**Sec. 38-14. Training.**

A board member shall complete training pursuant to the Texas Open Meetings Act and Texas Public Information Act not later than the 90th day after taking the oath of office, if required to take an oath to assume duties as a member of a board, or after the member otherwise assumes these duties if the oath is not required. The training requirement shall apply to a board member who is either appointed or reappointed to a board. If a board member fails to complete training required by this section, the board member shall immediately forfeit the board member's position.

SECTION 6. That this ordinance shall become effective on December 1, 2022.

Please see the attached documents:

- A copy of the Board ordinance with red lines
- A copy of the Board Amendment Ordinance No. 2022-10561
- A copy of Article I Ethics Code of Conduct; please note that (4), (5), (13) are applicable to elected officials only and not to appointed board members

If you have any questions, please feel free to contact me at [sjennings@cityofirving.org](mailto:sjennings@cityofirving.org) or Cecilia Castillo at [ccastillo@cityofirving.org](mailto:ccastillo@cityofirving.org) or at 972-721-4901.

## Chapter 38 - BOARDS, COMMISSIONS, AND COMMITTEES

### ARTICLE I. - GENERAL<sup>[1]</sup>

Footnotes:

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**Editor's note**— Section 38-7 adopted herein by Ord. No. 2012-9320, § 2, shall not apply to existing board members until the expiration of their current terms of office.

#### Sec. 38-1. - Definitions.

For the purposes of this chapter:

*Board* means a board, commission, or committee which is appointed by the mayor or the city council of the city.

*City* means the City of Irving, Texas.

*Staff liaison* means a city staff person designated by the city manager to serve as a liaison between the city and a board.

(Ord. No. 2012-9320, § 1, 2-23-12)

#### Sec. 38-2. - Applicability.

The provisions of this article shall apply to all boards, unless otherwise specifically provided by this code, a city ordinance or resolution, or applicable federal or state law.

(Ord. No. 2012-9320, § 1, 2-23-12)

#### Sec. 38-3. - Terms of office.

- (a) Terms of office for all boards shall commence on the date of the first official city council meeting in November, and the expiration date of each term of office shall fall on the date of the first official city council meeting in November during the year in which the terms shall expire. All members shall continue to perform the duties of their appointment until their successors shall be duly appointed in accordance with the Texas Constitution.
- (b) Board members' terms will not exceed three (3) consecutive, two-year terms or approximately six (6) continuous years. These term limits are at the discretion of the city council. If a board member serves less than a full term, that term shall not be counted in determining how many terms the member has served.

c) If a board member submits a board application for another board position, the board member shall immediately forfeit the current board position.

(Ord. No. 2012-9320, § 1, 2-23-12)

#### Sec. 38-4. - Removal.

A board member serves at the will of the city council. A board member may be removed by the city council for any cause deemed by the city council as sufficient for removal or for no cause. The city council may remove a board member whose service is found to be in conflict with Article I of the Irving Ethics Code, entitled "Ethics Code of Conduct."

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-5. - Attendance.

If a board member fails to attend seventy-five (75) percent of regularly scheduled or special called board meetings within a twelve-month period, the board member shall immediately forfeit the board member's position. The seventy-five (75) percent rule does not apply to boards that meet less than four (4) times a year. If a board holds a work session meeting prior to a regular meeting, each meeting will be considered a separate meeting for purposes of attendance.

~~If a board member is absent, without providing notice to the staff liaison, from three (3) consecutive regularly scheduled meetings or seventy (70) percent of the regularly scheduled meetings within a twelve-month period, the board member shall immediately forfeit the board position. The seventy percent rule does not apply to boards that meet less than four (4) times per year. These attendance provisions are at the discretion of the city council.~~

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-6. - Vacancy.

If a board member is unable to complete his or her term for any reason, the city council may appoint a person to complete the unexpired term of the vacated position.

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-7. - Service.

A person may serve on only one (1) board at a time with the exception that the person may serve concurrently on one (1) board and one (1) ad-hoc committee.

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-8. - Quorum.

A majority of voting board members constitutes a quorum for the transaction of all matters and business.

(Ord. No. 2012-9320, § 1, 2-23-12; Ord. No. 2012-9332, § 1, 5-24-12)

Sec. 38-9. - Meetings.

- (a) Board meetings shall be held in accordance with the Texas Open Meetings Act.
- (b) Each board shall hold a meeting at least once each quarter and thereafter as necessary at a place and time to be determined by the board, except as provided by subsection (c) of this section.
- (c) When no apparent board business is required, the board chair may cancel a regularly scheduled meeting.

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-10. - Officers.

- (a) Each board shall appoint one (1) chair and one (1) vice-chair to serve for a one-year term.
- (b) The duties of the chair shall be to preside at all meetings of a board; to appoint committees, subcommittees, or task forces of the board; to work with the staff liaison to coordinate agendas for meetings; and to represent the board before the city council or in other capacities as required or authorized by the board.
- (c) The duties of the vice-chair shall be those of the chair in the absence of the chair.

- (d) The board shall elect the chair and vice-chair from its members by a majority vote at the first meeting of each calendar year or at the first meeting after appointment and qualification of its new members, whichever is first.
- (e) The terms of office of the chair and vice-chair shall be for one (1) year, at which time a newly elected chair and vice-chair will assume office.
- (f) If an elected officer vacates the position of chair or vice-chair for any reason prior to the end of their term of office, the board will elect, at its next regular meeting following the vacancy, another board member to fill the office. This person shall hold the position until the next regular election in accordance with subsection (d) of this section.

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-11. - Qualification of appointed board members.

Board members shall be qualified voters of the city for one (1) year prior to the date of their appointment.

(Ord. No. 2012-9320, § 1, 2-23-12; Ord. No. 2013-9515, § 1, 10-17-13)

Sec. 38-12. - Forfeiture of position.

If a board member shall become a candidate for nomination or election to any public office, the board member shall immediately forfeit the board position in accordance with article IV, section 8-B of the City of Irving Charter.

(Ord. No. 2012-9320, § 1, 2-23-12)

Sec. 38-13. - Board bylaws.

- (a) Bylaws adopted by a board are not effective unless they are approved by the city council.
- (b) Board bylaws may be reviewed, altered, or amended by a majority vote of the board.
- (c) Any changes made to bylaws must be reviewed and approved by the city council.
- (d) Board bylaws shall not be in conflict with the chapter or resolution creating the board and shall not be in conflict with the City of Irving Charter.

(Ord. No. 2012-9320, § 1, 2-23-12)

Secs. 38-14—38-19. - Reserved.

**Sec. 38-14. Training.**

A board member shall complete training pursuant to the Texas Open Meetings Act and Texas Public Information Act not later than the 90th day after taking the oath of office, if required to take an oath to assume duties as a member of a board, or after the member otherwise assumes these duties if the oath is not required. The training requirement shall apply to a board member who is either appointed or reappointed to a board. If a board member fails to complete training required by this section, the board member shall immediately forfeit the board member's position.



ORDINANCE NO. ORD-2022-10651

AN ORDINANCE AMENDING CHAPTER 38 ENTITLED "BOARDS, COMMISSIONS, AND COMMITTEES" OF THE CODE OF CIVIL AND CRIMINAL ORDINANCES OF THE CITY OF IRVING, TEXAS, BY AMENDING SECTION 38-3 RELATING TO TERMS OF THE OFFICE, SECTION 38-4 RELATING TO REMOVAL, AND SECTION 38-5 RELATING TO ATTENDANCE, AND ADDING A NEW SECTION 38-14 RELATING TO TRAINING; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF IRVING, TEXAS:

SECTION 1. That Section 38-3 of The Code of Civil and Criminal Ordinances of the City of Irving, Texas, is hereby amended to read as follows:

**Sec. 38-3. Terms of the Office.**

- (a) Terms of office for all boards shall commence on the date of the first official city council meeting in November, and the expiration date of each term of office shall fall on the date of the first official city council meeting in November during the year in which the terms shall expire. All members shall continue to perform the duties of their appointment until their successors shall be duly appointed in accordance with the Texas Constitution.
- (b) Board members' terms will not exceed three (3) consecutive, two-year terms or approximately six (6) continuous years. These term limits are at the discretion of the city council. If a board member serves less than a full term, that term shall not be counted in determining how many terms the member has served.
- (c) If a board member submits a board application for another board position, the board member shall immediately forfeit the current board position.

SECTION 2. That Section 38-4 of The Code of Civil and Criminal Ordinances of the City of Irving, Texas, is hereby amended to read as follows:

**Sec. 38-4. Removal.**

A board member serves at the will of the city council. A board member may be removed by the city council for any cause deemed by the city council as sufficient for removal or for no cause. The city council may remove a board member whose service is found to be in conflict with Article I of the Irving Ethics Code, entitled "Ethics Code of Conduct."

SECTION 3. That Section 38-5 of The Code of Civil and Criminal Ordinances of the City of Irving, Texas, is hereby amended to read as follows:

**Sec. 38-5. Attendance.**

If a board member fails to attend seventy-five (75) percent of regularly scheduled or special called board meetings within a twelve-month period, the board member shall immediately forfeit the board member's position. The seventy-five (75) percent rule does not apply to boards that meet less than four (4) times a year. If a board holds a work session meeting prior to a regular meeting, each meeting will be considered a separate meeting for purposes of attendance.

SECTION 4. That Section 38-14 of The Code of Civil and Criminal Ordinances of the City of Irving, Texas, hereby reads as follows:

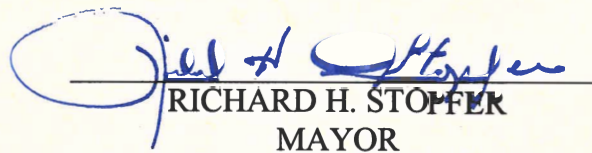
**Sec. 38-14. Training.**

A board member shall complete training pursuant to the Texas Open Meetings Act and Texas Public Information Act not later than the 90th day after taking the oath of office, if required to take an oath to assume duties as a member of a board, or after the member otherwise assumes these duties if the oath is not required. The training requirement shall apply to a board member who is either appointed or reappointed to a board. If a board member fails to complete training required by this section, the board member shall immediately forfeit the board member's position.

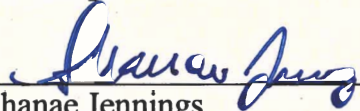
SECTION 5. That the terms and provisions of this ordinance shall be deemed to be severable and that if the validity of any section, subsection, clause, or phrase of this ordinance shall be declared to be invalid, the same shall not affect the validity of any other section, subsection, sentence, clause, or phrase of this ordinance.

SECTION 6. That this ordinance shall become effective on December 1, 2022.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF IRVING, TEXAS,  
on October 27, 2022.


  
RICHARD H. STOPFER  
MAYOR

ATTEST:

  
Shanae Jennings  
City Secretary/Chief Compliance Officer



APPROVED AS TO FORM:

  
Kuruvilla Oommen  
City Attorney

# ARTICLE I ETHICS CODE OF CONDUCT

## Section 1.01 General

Every member, applicant, or candidate for the city council, appointed board member, committee member, and commission member (also referred to as “City officials”) should:

- (1) Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the citizens. Be honest in thought and deed, and endeavor to conduct both personal and public life in a manner that creates respect for the public office and the City of Irving.
- (2) Refrain from any activity or action that may hinder the member's ability to be objective and impartial on any matter coming before the council, board, commission, or committee.
- (3) Not accept, offer, or solicit any benefit, favor, gift, privilege, or service that might reasonably tend to influence the member in the discharge of official duties, that the member has reason to believe is being offered with the intent to influence the member's official conduct, or that is in exchange for the member's decision, opinion, recommendation, vote, or other exercise of discretion as a City official.
- (4) *Not Applicable* ~~Endeavor to keep the community informed on municipal affairs and encourage citizen participation in City affairs.~~
- (5) *Not Applicable* ~~Honor the Executive Confidentiality privileges granted by the State of Texas and believe that personal gain by use of confidential information is unethical. Agree not to promulgate, distribute, pass on, or in any way make public any information received in Executive Sessions where the information has not been released to the general public.~~
- (6) Be dedicated to friendly and courteous relationships with the public, with staff, and with other council committee members, and seek to improve the image of public service.
- (7) Be constantly mindful of the welfare of others. Be committed to improve the quality of life for the individual and the community and be dedicated to the faithful stewardship of the public trust.
- (8) Never use the elected or appointed position for personal gain or as a forum, vehicle, or instrument to attack, intimidate, or pressure any group or individual.
- (9) Avoid placing (and avoid the appearance of placing) one's own self-interest or any third-party interest above that of the City.
- (10) Not abuse their position by improperly using their position or the City's staff, services, equipment, materials, resources, or property for their personal or third-party gain or pleasure and shall not represent to third parties that their authority extends any further than that which it actually extends.
- (11) Not engage in or facilitate any discriminatory or harassing behavior directed toward City staff, other board members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, or others in the context of activities relating to the City.

- (12) Not solicit or accept gifts, gratuities, free trips, campaign contributions, honoraria, personal property, or any other item of value from any person or entity as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the City.
- (13) *Not applicable* ~~Not disclose locations and scopes of specific real estate projects to any person or organization for or with the intent of financial gain.~~



# City of Irving Legislative Program for the 88<sup>th</sup> Texas Legislature (2023)

The City of Irving's legislative program represents the interests of Irving residents and taxpayers in this growing city. Irving's legislative program helps the City Council maintain the high level of services for residents and maintain a quality of life they expect. Irving has a long history of working with the Texas Legislature and executive agencies to equip and empower city leaders to govern effectively and maintain the level of customer service for its residents and businesses in a fiscally responsible way.

## Primary Issues

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More than 2,000 bills filed during the 87<sup>th</sup> Legislative Session potentially affected local governments. As a general statement, Irving works to oppose harmful legislation affecting current City practices or restricting the city's options. This has been the focus of the city's legislative program for most of the last decade and is expected to require a significant amount of effort in the 88<sup>th</sup> session. In order to protect and enhance the City of Irving's ability to serve its residents, taxpayers and visitors, the city's legislative team will make the following issues priorities during the 88<sup>th</sup> Legislative session:

- 1) Seek amendments to the Texas Local Fire Fighters Retirement Act (TLFFRA) that validate and authorize voluntary, contractual agreements between a city and a local fire fighters' retirement system, such as the Irving Firemen's Relief and Retirement Fund.
- 2) Support legislation that gives local governments the ability to increase, if desired, the homestead property tax exemption beyond the current constitutional cap of 20 percent of assessed value.
- 3) Protect the city's ability to control its revenue streams, including property taxes, sales taxes, hotel occupancy taxes and city fees and fines, from state-imposed changes or diversion from the city to the state of Texas.
- 4) Oppose efforts to censor community input, such as refusing to allow testimony by city leaders on behalf of their residents, and/or prohibiting communication on behalf of local governments by private firms, nonprofit associations and city staff during legislative discussions.
- 5) Improve process for securing Texas Enterprise Fund approvals
- 6) Maintain the option to conduct nonpartisan City Council elections, bond elections and other local elections on the May uniform election date.
- 7) Allow decisions relating to operations of public safety departments to be made by city officials.
- 8) Allow residents to vote to authorize a sales tax dedicated to street maintenance and repair.
- 9) Support improved access to broadband in underserved areas while not imposing additional costs or mandates on city residents.
- 10) Update statutes to allow effective enforcement of laws relating to catalytic converter theft.

## Recurring Legislative Issues

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A significant number of issues that either benefit or harm Irving's ability to serve its residents and businesses can arise during a legislative session. Some items are beneficial. Others are not in the best interests of Irving residents and businesses. The city works with legislators and associations such as the Texas Municipal League and the North Texas Commission to prevent negative ideas from becoming law. The following list is broken down by category.

### Revenue Protection and Finance

#### Support

- Legislation that decreases the property tax burden by enhancing state funding for public schools.
- Preservation of current municipal authority to issue debt for capital projects.
- Legislation that maintains the true market value of property when appraised for tax purposes.
- Soundness in the Texas Municipal Retirement System and TLFRA to support the dedication of public servants and retirees.

### Transportation

#### Support

- Funding for all phases of the State Highway (SH) 183/SH 114/Loop 12 Managed Lanes Project.
- Adequate funding for the Texas Department of Transportation's Turnback Program and affirmation of its strictly voluntary nature.
- Support for a privately financed, high-speed rail solution between Dallas and Houston.
- Responsible right-of-way maintenance for state property within city limits.
- Safety of city streets for vehicle, bicycle and pedestrian traffic.

### Water Supply and Wastewater Management

#### Support

- Statewide water planning that includes future reservoir designations and water supply for high-growth urban areas to sustain their populations and development opportunities.
- Preservation of municipal authority to acquire right-of-way for water supply and wastewater operations.
- Water and wastewater reuse for both potable and nonpotable purposes.
- Preserving the rights to Lake Chapman and Irving's water supply pipeline.
- Funding the Evapotranspiration data network operated by Texas A&M Agrilife.
- Advancing desalination as a water supply source.

#### Oppose

- Mandates for costly, additional devices on existing and new residential and commercial irrigation systems.
- Legislation that adversely affects municipalities' future water rights and interbasin transfers.
- Unreasonable water and permit fees levied against cities.
- Legislation that restricts Irving's ability to continue to serve as a regional water supplier or conveyer.

## Local Regulatory and Development Authority

### Support

- Continued ability to declare disasters and implement emergency measures during a disaster.
- Continued use, when necessary, of eminent domain.
- Continued ability to manage and control the use of public rights-of-way.
- Support beneficial changes to statutes that would allow Irving to better manage the use of building materials in new buildings and additions to existing buildings, in the interests of maintaining the quality, appearance and integrity of neighborhoods.

### Oppose

- Limits to city landscaping requirements and tree preservation ordinances.
- Elimination or limits on regulatory authority regarding short-term rentals.
- Restrictions on city's zoning and building code authority; imposition of "shot clocks" for development plan approval when submitted plans are incomplete.
- Reductions or elimination of development, planning, building and inspection fees.

## Economic Development

### Support

- Allow the use of all available economic development tools, such as agreements that rebate a portion of new sales taxes generated by companies that locate in Irving.
- Mechanisms to redevelop downtowns into economically viable areas.
- Maintaining the existing use and allocation of hotel occupancy tax revenue.
- Continued availability of the qualified hotel program.
- Leveraging of public-private relationships to drive economic development projects.
- Exploration of innovative methods to promote and incentivize tourism and the visitor economy at the state, regional and local levels.
- Modify open carry legislation regarding private users of publicly owned facilities such as convention and arts centers.

## Efficient Governance

### Support

- Clear and concise bond election language that ensures debt information disclosure without confusing voters.
- Web-based information-posting solutions for required legal notices.
- Protection from costly and frivolous lawsuits, including preservation of governmental immunity.
- Legislation that supports efforts to ensure the hiring and retention of qualified police officers, and equitable processes for hiring, evaluation, promotion and discipline of employees.
- Strengthening the Texas Public Information Act (TPIA) by protecting the city from abusive requestors.
- Statutory TPIA exemptions for commonly requested and granted exemptions to public disclosure, including:
  - Privacy for juveniles.
  - Victims of sexual assault.
  - Victims of abuse.

- Informers' privilege for complainants of ordinance violations.
- Certain government-operated utility customer information.
- Affording city officials privileges under the Open Meetings Act similar to county commissioners:
  - Allowing discussion of advisory board appointments in executive session.
  - Allowing discussion of certain contract negotiations in executive session.

## Safety and Security

### Support

- Allow decisions relating to operations of public safety departments to be made by city officials.
- The authority to administer effective juvenile justice and associated programs.
- Solutions that ensure compliance and accountability with state and local laws from residential and commercial property owners.
- Provision of adequate appropriations for jails and prisons.
- Flexibility for cities to enact fees that recover the costs of some public safety activities.
- Efficient and equitable civil service procedures.
- Support and funding for cooperation between local, state and federal public safety agencies.
- Continuation of revenue sharing as a result of participation in local, state and federal task force asset seizures.

### Oppose

- Mandated fees or operational changes in court operations without financial support from the state.
- Additional process or fee mandates within animal control.

## Public Health and Prosperity

### Support

- Continued funding for efforts at The University of Texas at Austin's Bureau of Economic Geology to study seismic activity and produce reports analyzing the results of those studies.
- Legislation that provides or enhances grant programs to domestic violence shelters and transitional housing programs for direct client assistance, operational assistance and facility improvements.
- Preservation and expansion of the city's ability to address issues related to substandard buildings and nuisance abatement.
- Promotion of alternative energy development for municipalities.
- Increases in low- and moderate-income residents' access to health services.
- Legislation that benefits parks, recreation, open space, trails and tourism.
- Support for interlibrary loan programs as a prerequisite to library accreditation.
- Preservation and expansion of online database access through the Texas State Library and Archives Commission.
- Support for the expansion of local art and neighborhood revitalization efforts.
- Support of initiatives that improve air quality.
- Legislation and programs that enhance recycling and litter abatement.

## Regulated Utilities

### Support

- A city's right to control what structures are placed in its rights of way by telecommunications companies.



- Regulatory and financial initiatives to place utilities underground.

## Oppose

- Regulatory findings by the Public Utility Commission (PUC) that ignore city zoning and development regulations when locating utility infrastructure.
- Piecemeal ratemaking procedures as a substitute for more formal utility rate cases heard by the PUC.
- Reductions in franchise fee or right of way rental charges paid by regulated electric, gas and cable utilities and telecommunications companies.
- Reduction or elimination of a city's rate regulation authority.



**IRVING - LAS COLINAS**  
CHAMBER OF COMMERCE

## **Texas Legislative Priorities**

### **88<sup>th</sup> Texas Legislature**

**Approved by the Board of Directors on September 26, 2022**

#### **ECONOMIC DEVELOPMENT**

- Maintain the current level of funding for the Texas Enterprise Fund (TEF).
- Support economic development programs to enhance our ability to compete for more business investment in Texas.
- Oppose discriminatory legislation that would damage Texas' business-friendly reputation and support legislation that promotes equity and inclusion.
- Protect small business by opposing legislation that would lead to overly burdensome regulations including, but not limited to, destination sourcing.
- Support an INFORM bill with language comparable or very similar to the Federal INFORM Consumers Act Bill S. 936 that directs online marketplaces to verify high-volume, third-party sellers to combat organized retail crime.

#### **EDUCATION + WORKFORCE**

- Support public school funding methods based on average daily enrollment, outcomes and accountability.
- Reform public school testing to measure all areas of student performance.
- Oppose any effort to divert public education funds for private school use.
- Support funding and programs to improve school security and promote mental health of all students.
- Improve postsecondary educational attainment through the Texas Higher Education Coordinating Board's Building a Talent Strong Texas initiative.
- Increase funding for Texas Workforce Commission's Skills Development Fund Programs.
- Support comprehensive community college finance reform through state investment and workforce alignment.
- Expand available workforce through the removal of barriers including childcare access.

- Support funding for the Texas Equalization Grant Program.
- Support workplace violence prevention and protection programs.

## **HEALTHCARE**

- Expand Medicaid to address the expected increased need of pre-natal care and critical care for moms and babies.
- Support access to healthcare for all and increased coverage for the under and uninsured.
- Support increased funding, access and tools to population health management and behavioral health.
- Support appropriations to address critical shortage of physicians, nurses and behavioral health professional including graduate medical education.

## **INFRASTRUCTURE**

- Support measures and funding to ensure the electric grid will reliably serve the needs of Texans.
- Support Public-Private Partnerships (PPPs) between government and private enterprise to address our infrastructure needs more efficiently.
- Support the implementation of an equitable statewide broadband plan.
- Revise road user fee structures to appropriately charge alternative fuel and electric/hybrid vehicles for road use.
- Support the innovation of initiatives including autonomous vehicle infrastructure for better mobility.
- Support the implementation of water management strategies included in the Texas State Water Plan including the Unique Reservoir Site designation for Marvin Nichols Reservoir.

## Maura Gast

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**Subject:** HB550

Dear Colleagues:

Representative Cody Vasut from Angleton, Texas has refiled a virtually identical bill to one that he filed in 2021 that would allow up to 20 percent of the local hotel tax to be used for virtually every conceivable type of city infrastructure project. THLA opposed this bill last session and it did not get a hearing. We have already put a call into the Representative's office to note our strong opposition. We have attached the filed bill below my signature line. I would note the following provisions of great concern:

The bill would allow any Texas municipality the authority to use a certain portion (up to 20 percent) of the local hotel tax for city infrastructure projects such as:

1. Certain **roads and bridges** within five miles of a hotel and which have an accessible entrance to a hotel;
2. **Water supply system** from which a hotel receives water;
3. **Sanitary sewer system** from which a hotel discharges wastewater; or
4. **Storm drainage system** into which runoff from a hotel flows.
5. Constructing **qualified infrastructure** within one mile of a hotel.
6. Making **improvements to parks** owned by a city within one mile of a hotel.

The bill provides that cities that use local hotel tax for this purpose may not reduce the amount of hotel tax that they have spent on average over the prior three years for marketing purposes. The bill also tries to provide vague references to the relationship between the city infrastructure and the area hotels. It is our position that the bill provides an unacceptable use of local hotel tax for almost all types of city infrastructure which is specifically prohibited under current local hotel tax provisions. This type of infrastructure arguably benefits every type of business and property within the city and hotels and the tourism industry should not be singled out to fund these costs.

We will let you know if there is any movement on this bill, of our work to oppose this bill, and if there is any future need for additional intervention.

All the best,

Scott  
Scott Joslove  
President & CEO | **Texas Hotel & Lodging Association**  
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A BILL TO BE ENTITLED  
AN ACT

relating to the use of municipal hotel occupancy tax revenue for certain infrastructure projects and public parks.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1011 to read as follows:

Sec. 351.1011. USE OF TAX REVENUE FOR CERTAIN INFRASTRUCTURE PROJECTS AND PUBLIC PARKS. (a) In this section, "qualified infrastructure" means:

(1) a road, street, highway, bridge, overpass, underpass, or interchange:

(A) from which an entrance to a hotel is accessible; or

(B) that constitutes, wholly or partly, the shortest route between a hotel and a state highway, interstate highway, public beach, visitor or tourism information center, or convention center facility or complex that is located within five miles of the hotel;

(2) a water supply system from which a hotel receives water;

(3) a sanitary sewer system into which a hotel discharges wastewater; or

(4) a storm drainage system into which runoff from a hotel flows.

(b) In addition to the purposes provided by Section 351.101(a), a municipality may use revenue from the municipal hotel occupancy tax to promote tourism and the convention and hotel industry by:

(1) acquiring, constructing, repairing, remodeling, or expanding qualified infrastructure that is owned by the municipality and that is located not more than one mile from a hotel; and

(2) making improvements to a public park that is owned by the municipality and that is located not more than one mile from a hotel.

(c) The amount of municipal hotel occupancy tax revenue a municipality may use in a fiscal year for a purpose authorized under this section may not exceed 20 percent of the amount of revenue the municipality collected from that tax during the preceding fiscal year.

(d) A municipality that uses municipal hotel occupancy tax revenue under this section:

(1) may, notwithstanding the limitation under Subsection (c), reserve not more than 20 percent of the revenue from that tax collected in a fiscal year for use under this section during the succeeding three fiscal years; and

(2) may not reduce the percentage of revenue from that tax allocated for a purpose described by Section 351.101(a)(3) to a percentage that is less than the average percentage of the revenue from that tax allocated by the municipality for the purpose described by Section 351.101(a)(3) during the 36-month period preceding the date the municipality begins using revenue for a purpose described by this section.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.



## 2023 Legislative Agenda

VisitDallas supports initiatives that support travel and tourism, encourage economic growth, and opposes legislation threatening the economy of the state and the recognition of Texas as welcoming destination for leisure travel, meetings, conventions, and events. We encourage policy makers to work to ensure that Texas capitalizes on innovation to fuel additional economic development, job growth, business expansion, and investment.

**VisitDallas has listed the following items as top priorities for the 88<sup>th</sup> State Legislative Session.**

### TRAVEL & TOURISM FUNDING

Support state economic development efforts by marketing Texas as a tourist destination in domestic and international markets, thereby generating non-Texan travel to the state and ultimately creating revenue and jobs.

### STATE ECONOMIC DEVELOPMENT INCENTIVES

Oppose any efforts to eliminate state economic development incentives. There are many state funds which directly impact and benefit the tourism industry. Most of these funds enable Texas to remain a competitive and business-friendly state. Funds include but are not limited to:

#### **Texas Enterprise Fund**

The Texas Enterprise Fund (TEF) is the largest “deal-closing” fund of its kind in the nation. The fund is a cash grant used as a financial incentive tool for projects offering significant projected job creation and capital investment where a single Texas site is competing with another viable out-of-state option.

#### **Event Trust Funds Program**

The Event Trust Funds program is comprised of three separate funds—the Events Trust Fund (ETF), Major Events Reimbursement Program (MERP) and Motor Sports Racing Trust Fund (MSRTF) — targeted at attracting various types of events to Texas. The funds can assist Texas communities with paying costs related to preparing for or conducting an event by depositing projected gains in various local and state taxes generated from the event in a dedicated event-specific trust fund to cover allowable expenses. The MERP will be significant in this legislative session as we prepare for the 2026 FIFA World Cup.

#### **Texas Film Commission and Texas Moving Image Industry Incentive Program (TMIIP)**

Support the Texas Moving Image Industry Incentive Program (TMIIP) and the Texas Music Office as proven tools that spur further economic development in their respective industries, and

**HOTEL OCCUPANCY (HOT)**

Oppose legislation and/or further amendments to Texas state law regarding use of the local hotel occupancy tax (HOT) in the city of Dallas, to ensure that there is no diversion of funds from current uses and/or to activities that do not directly drive Dallas tourism and economic impact.

**DISCRIMINATORY LEGISLATION**

Oppose any bill that would be discriminatory or otherwise damage Texas' reputation as a business-friendly or travel/tourism-friendly destination, including any legislation that would impact the attraction of meetings, conventions, events, sporting events, corporate or workforce recruitment.

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**THLA Legislative and Regulatory Affairs Committee Report:**  
**2023 Session Public Version**

November 2022

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## THLA Legislative and Regulatory Committee objectives.

The THLA Legislative and Regulatory Affairs Committee recommends THLA's goals, positions, and policy directions on state and federal governmental affairs issues. These recommendations are considered by the full THLA Board and provide the basis for the advocacy work that is pursued by THLA staff and THLA contract lobbyists. This report contains an outline of the anticipated legislative issues at the state level and potential THLA approaches on these issues for committee and board consideration.

At the end of this report, we have included a history of the major bills that THLA has passed over the last 20 years and major state legislative proposals that THLA has successfully defeated at the request of industry leaders over this same time period.

## Local hotel occupancy tax legislation THLA intends to pursue in 2023.

THLA intends to offer legislation to clarify various ambiguous language in Chapters 351 and 352 of the Tax Code.

## Full funding for State tourism promotion.

Every legislative session, THLA advocates to secure full state funding for tourism promotion from the 1/12th dedicated portion of the state hotel occupancy tax. This 1/12th portion now represents over \$60 million in state tourism funding annually and is allocated through the State appropriation bill (HB 1 / SB 1).

In 2021, THLA again worked with our industry partners to ensure the state tourism promotional program was fully funded. The State Budget passed with a full appropriation of \$69.5 million for the biennium (\$33.9 million for 2022, \$35.6 million for 2023). With the inclusion of a rider that allows access to prior unexpended balances, there is a total of about \$140 million that is available over the next two years for promotion of Texas as a tourism destination. This full appropriation, which represents about a \$10 million increase over the prior biennium, was achieved despite a significant drop in hotel tax collections in 2020 and 2021.

## Statewide short-term rental (STR) preemption.

In 2019, for the third consecutive session, THLA opposed broad-based short-term rental preemption. In 2019, the filed bill would have prohibited cities from imposing any location or density requirements against short-term rental properties. If this bill had passed in the form supported by the Texas Realtors, it would have created a completely unlevelled playing field for lodging operators: providing short term rental operators with an unlimited power to locate short term rental properties in residential areas while traditional lodging operators have no such power to locate in the same areas. During the bill's

consideration process, THLA was able to work with the bill sponsor to come up with a compromise version of the bill that the lodging industry could have supported. Unfortunately, this version was opposed by the Texas Realtors who were not willing to compromise on the bill's provisions.

In late 2019, a Texas Court of Appeals ruled on the City of Austin's ban on non-owner occupied STRs (known as "Type 2 STRs") in a decision titled, *Zaatari v. City of Austin*. In the *Zaatari* decision, the Court essentially found the City of Austin's ban on Type 2 STRs was unconstitutionally retroactive because the City's ordinance takes away a "fundamental and settled property right" to rent the real estate in a short-term manner. This decision has not been appealed to the Texas Supreme Court, but most legal experts agree that the City's argument would not likely be received favorably by that conservative court.

In 2021, the STR issue did not surface in that Session.

We anticipate STR proponents will support a bill in 2023 that would provide for a statewide preemption of local governments from regulating the location of short-term rental properties. THLA will work with the major hotel brands and the STR industry's proponents on potential compromise language that will retain the powers of cities to provide reasonable zoning regulation as to location, number, and density of STRs, in addition to the power to permit.

## Bill filed by other entities and supported by THLA.

Every legislative session, THLA provides technical and lobbying support for allied and affiliate entities seeking legislation that will positively affect our industry. Although it is still early in the planning process for the 2023 session, THLA is already aware of the following items we will be supporting.

1. Support Las Vegas Sands's effort pass a resolution to amend the Texas Constitution to allow casino gambling.
2. Support legislative authority for The Woodlands Township (a special district rather than a municipality) to establish a TPID.
3. Expand the Texas Comptroller's hotel tax tracking program to require all counties to report how they use hotel tax revenue, and also expand the reporting by both cities and counties to include every category of hotel tax use, and provide a monetary incentive for such reporting.
4. Support the ASSET preemption bill that will prohibit local governments from regulating private sector working conditions such as benefits, scheduling, paid leave, etc.
5. Support using state revenues to buy down local school district property taxes.
6. Support the expansion of the Major Events Trust Fund (MERP) and the Events Trust Fund (ERP) for new, well-qualified events.
7. Support the expansion of the Qualified Hotel Project (QHP) state entitlement program to provide economic incentives for certain hotel development.
8. Support extension of the QHP time period for rebates for pandemic impacted QHP participants.
9. Potentially support additional local hotel tax legislation if supported locally and if the legislation contains necessary limits to protect CVB funding and protections on use.
10. Support Texas Motion Picture Alliance's objectives to get more funding for film production in Texas.
11. Support Texans for the Arts (TFA) objectives to get more funding for Texas artists.

## Oppose repeal of the 30-day hotel tax exemption.

Every legislative session, THLA fights proposals to eliminate the exemption for “permanent residents” also known as the 30-day exemption. This exemption makes guests who stay over 30 consecutive days completely exempt from state and local hotel tax.

Smaller cities, counties, and local chambers have partnered to seek a repeal of this exemption in order to increase local hotel tax revenues. They argue that the exemption was not intended to help big corporate entities such as oil companies, railroads, and airlines from paying the hotel tax for rooms that they keep long term for changing guests during that 30-day period.

THLA argues that the exemption for 30 days has been in existence as long as the hotel tax and there is nothing to suggest that state law did suggest that corporate entities could not use the exemption. THLA also argues that repealing the exemption is tantamount to a tax increase, and we have joined with oil, railroad, and airline lobbyists to make this argument at the legislature.

## Oppose proposals to use local hotel tax for non-tourism purposes.

Every legislative session there are proposals by individual local governments to use local hotel tax for general government purposes that have little to nothing to do with tourism promotion. These bills have included provisions that would allow local hotel tax to be used for street repairs, daycare, economic development, job training, education, etc. THLA opposes all such measures.

Where there is an agreed to local hotel tax bill that is proposed by the local DMOs and area hoteliers for a special use of hotel tax, THLA seeks to secure a legislative provision that protects the funding for marketing of the area by the destination marketing organization and includes some type of return-on-investment requirement for the proposed hotel tax use category, a limit on the percentage of funds that can be used for that purpose, and a documentation requirement related to the actual ROI. Texas is the only state in the country that has CVB funding protections and ROI requirements on new uses of the local hotel tax.

## Support retention of Tourism PID authority.

A Tourism Public Improvement District (TPID) allows area hotels to petition a city for the power to create a tourism district to generate supplemental funding for marketing and sales efforts. The first Tourism Public Improvement District in Texas was established in Dallas and was so successful that it resulted in a subsequent THLA bill that allowed four additional Texas cities to create a tourism PID (Arlington, Fort Worth, San Antonio, and Austin).

Prior to the 2019 legislation session, a number of other Texas cities approached THLA about obtaining similar legislative authority. Accordingly, bills were filed for six individual cities to allow the creation of a

TPID in their city: Amarillo, Denton, Frisco, Irving, Waco, and Nacogdoches. THLA also supported HB 1136 that will allow all Texas cities to petition their city council for the creation of a TPID.

In 2019, all of the proposed TPID bills passed the Legislature, ultimately authorizing all Texas cities to consider creation of a TPID if it is supported by at least 60% of affected hotel owners. Retention of this legislative authority is vital for the future success of the lodging industry.

## Oppose bills that include unreasonable facility requirements for hotels and oppose bills that include unreasonable personnel requirements for hotels.

Every session there are proposals that apply to commercial facilities that would be burdensome and costly to implement without sufficient counter benefits. THLA weighs each such proposal and opposes any measures that are unreasonable and a net negative.

Every session there are proposals that apply to staffing of hotels and other businesses that would be burdensome and costly to implement without sufficient counter benefits. THLA weighs each such proposal and opposes any measures that are unreasonable and a net negative.

## Legislation to monitor and report on.

1. Social issue bills.
2. Employment, workers comp, benefit mandates, unemployment insurance, etc.
3. Business regulatory issues.
4. Franchise tax bills.
5. Property tax appraisal and rate bills.
6. Economic development bills.
7. Alcoholic beverage law changes.
8. Hurricane/disaster bills.
9. Guest safety and firearms bills.
10. Insurance issues.
11. Homelessness legislation.
12. Bills affecting litigation against hotels.

## History of THLA State Advocacy Program

### Increased Advocacy

Over the past two decades, THLA has expanded its legislative program from being primarily defensive to being a strong and proactive agenda of legislation that our trade association initiates. THLA offers and seeks passage typically on a package of two to five positive bills impacting the lodging industry every legislative session.

With a **100 % passage rate** over the last 23 years, this proactive legislation has resulted in THLA passing the following state initiatives:

- Record Levels of **State Tourism Funding** to promote Texas for tourism and hotel activity
- Over 30 percent increase to the **State Per Diem Rates**
- A **Cap on total Hotel Tax Rates** by cities & counties
- **A Cap on Hotel Tax Audits:** A Cap on the # of Years back Cities Can Audit hotel taxes. The cap matches the existing 4-year cap that the State can go back in a state tax audit.
- 51 % Reduction in the **Mixed Beverage Tax** absorbed by Hotels, saving hotels millions of dollars annually in operating costs for serving mixed beverages
- 25 % Reductions in the **state franchise tax**.
- Authority for **Tourism Public Improvement Districts** to be created in all Texas cities
- Substantial State Funding for **Beach Restoration/Preservation** (rebate of 1/3 of the state hotel tax to coastal cities: South Padre, Galveston, Port A. and Corpus Christi).
- New Uses for **Local Hotel Tax** with ROI requirements and protection of percentage of HOT funds to the DMO for marketing hotel activity.
- Passed amendments to state law to prevent pandemic relief from being subject to state franchise tax.
- Passed pandemic tort claims immunity to stop pandemic related lawsuits.

**THLA has also killed: 100 % of the bills that the lodging industry has opposed. Examples include:**

- Every state hotel tax increase that was opposed by the industry
- Detrimental Surcharges and fees against hotel nights. For example, THLA single handedly killed a proposed \$1 per night surcharge against hotel room nights. If passed, would have cost hotels

\$122 million dollars in annual surcharges. Since the time that this bill was proposed, would have cost over 2.4 billion in added surcharges against the lodging industry.

- Burdensome facility, personnel & operational requirements.
- Non-tourism uses of the local hotel tax (education, pollution, daycare, city infrastructure)
- Union and Living Wage Mandate Bills

### **Governmental Affairs Events**

THLA has also increased the number and effectiveness of our advocacy related events. We created the **Converge on the Capitol**, now with over 700 participants.

THLA also created annual **legislative summits**, which are local events featuring Q&As with state legislators. These events rotate throughout Texas's large cities.

Additionally, THLA works with local hotel associations to hold mayoral and city council candidate forums that focus on hotel industry issues.

### **Strategic Partnerships**

THLA continues to engage in strategic partnerships with other organizations that are aligned with THLA on various regulatory issues:

- THLA works with other state associations such as the Texas Restaurant Association, Texas Travel Alliance, Texas Retailers Association, Texas Apartment Association, Texas Association of Business, Texas Association of Convention & Visitors Bureaus, Texas Building Owners Association, Texas Association of Campground Owners, among others.
- Created a formal AAHOA advocacy partnership
- Created a formal SIMA Advocacy Partnership (small independent hotel owners Association) with both the Houston and San Antonio SIMA chapters.
- Work under contract with Houston First, the Dallas Convention and Visitors Bureau, and the Austin Convention and Visitors Bureau, to help in their advocacy programs regarding state issues and state statutory programs.
- Work with local associations to hold mayoral and city council candidate forums that focus on hotel industry issues

### **THLA Assistance on Local Advocacy Issues**

Historically, THLA has assisted in local governmental affairs advocacy on issues such:

- a. Legal uses of hotel occupancy tax revenue.
- b. Adequate funding of the CVB.
- c. Adequate convention center funding and necessary expansions.
- d. Creation and administration of Tourism Public Improvement Districts.
- e. STR ordinance passage.
- f. Venue project issues.
- g. Providing reasonable transportation policies.





## WORKFORCE READINESS

### **EDUCATION:**

*A skilled workforce pipeline is fueled by quality education. Our public education system and institutions of higher education are vital to the preparation of the future workforce for our region and state. Maintaining full funding for education is necessary to advance educational attainment opportunities and create career pathways.*

### **HEALTH & WELL-BEING:**

*A healthy workforce is crucial to a productive and stable economy. Producing a healthy workforce starts by addressing health care concerns and improving access to care to the most vulnerable populations in our region by reducing the number of uninsured, increasing behavioral and mental health services, and eliminating social determinants of health. Investing in the health and well-being of North Texans will lead to a more productive workforce.*



## ECONOMIC COMPETITIVENESS

### **TALENT PIPELINE:**

*North Texas represents the most economically diverse and viable region in the state. The NTC believes a healthy and welcoming business climate is critical to sustaining a booming economy and protecting our greatest asset for economic growth - a highly skilled workforce. We must ensure that policies and practices create an inclusive and inviting atmosphere that promotes growth and attracts diverse talent to supply our workforce pipeline.*

### **ECONOMIC DEVELOPMENT:**

*Texas must remain competitive by continuing the use of all economic development tools that incentivize growth and promote the recruitment of larger employers. Job creating programs begin by reducing regulatory barriers for business. Our region's economic growth relies on a stable, predictable, and business-friendly regulatory environment.*



## STRONG LOCAL COMMUNITIES

### **INFRASTRUCTURE:**

*As one of the fastest growing regions in the U.S., North Texas must continue to invest in the planning and development of critical infrastructure needs. Ensuring adequate water supply, strengthening electric grid resiliency and reliability, providing integrated transportation systems of choice, and expanding access to and adoption of broadband are all necessary to meeting the demands of our rapidly growing region, and continued business development. Through the use of public-private partnerships, projects can be completed efficiently and with minimal taxpayer burden.*

### **LOCAL GOVERNMENT:**

*As the fourth largest region in the U.S., North Texas is home to 7.7 million people. The region's 9,000 square mile boundary encompasses 13 counties and more than 150 cities that uniquely contribute to the alluring qualities that define North Texas. Maintaining authority for each of those communities is key to remaining a region of growth. Preserving decision-making authority for local leaders is critical to safeguarding the success of our region and the unique individuality of our communities.*

**The North Texas Commission convenes public and private sector leaders to ensure that state and federal public policies promote strong local governments, support excellence in public schools, increase the skilled workforce pipeline, and safeguard a thriving business environment. Together as a unified region, we will continue to advocate for policies that improve the sustainability and inclusivity of our growing economy.**



## EDUCATION & WORKFORCE: (PK-12)

- SUPPORT:** Efforts to increase teacher workforce supply and resiliency.
- SUPPORT:** Increased funding for local school districts to protect students and teachers by providing preventative safety and security measures that meet the needs of each local school district.
- OPPOSE:** The transfer of public education funds to nonpublic education entities.
- SUPPORT:** Limits on expanding charter schools in high-performing school districts and applying accountability and financial transparency standards equal to traditional public schools.
- SUPPORT:** Methods to provide funding by average daily enrollment with compulsory attendance requirements.
- SUPPORT:** Full funding for wraparound support systems, including mental wellness, high-quality Pre-K, and early childhood education.
- SUPPORT:** Reforming the state's assessment and accountability systems to appropriately measure all factors that influence student performance and school ratings.

## (Higher Education)

- SUPPORT:** Efforts to enhance tri-agency initiatives to increase workforce supply and accelerate training to meet the goal of the Building a Talent Strong Texas Initiative.
- SUPPORT:** Investment in higher education by appropriating additional funding in the formulas to cover student enrollment growth and inflation and pass an updated Community College funding plan.
- SUPPORT:** Investments in research funding programs that encourage innovation and economic growth in Texas.
- SUPPORT:** Continued funding for the Comprehensive Regional University program.
- SUPPORT:** Investing in keeping talent in Texas by incentivizing Texas high school graduates to attend community colleges, universities, trade schools, and other professional certificate programs in Texas.
- SUPPORT:** Continued investment in Small Business Development Centers and their professional business advising and training programs, which are proven resources that strengthen the Texas economy.
- OPPOSE:** Any effort to restrict an institution of higher education's ability to offer tenure, a critical tool to recruit and retain academic talent for the purpose of instruction and research.
- SUPPORT:** Funding for mental health services on higher education campuses.

## HEALTH & WELL-BEING:

- SUPPORT:** Efforts to address the workforce shortages in health care and increase the supply of trained industry professionals.
- SUPPORT:** Education and awareness resources that address social determinants of health, promote prevention and well-being, support equity, and eliminate racial and socioeconomic disparities.
- SUPPORT:** Increased funding to improve access to in/out-patient behavioral and mental health.
- SUPPORT:** Providing predictable and stable reimbursements by enhancing the base Medicaid rates for hospitals and increasing rates of trauma, rural, and safety-net hospitals.
- SUPPORT:** Modernization efforts to increase access to care, reduce barriers, and provide cost savings for Texans, including the utilization of telehealth.
- SUPPORT:** Efforts to reduce the number of uninsured Texans.
- SUPPORT:** Efforts that promote safety and security and mitigate the risk of violence in the workplace.
- SUPPORT:** Efforts to improve or better support our child welfare system for children in imminent danger.

### **BUSINESS COMPETITIVENESS:**

- SUPPORT:** The use of, and timely decision making for, economic development incentive programs that enhance job creation and capital investment in Texas.
- SUPPORT:** A workforce re-entry program that accelerates training and creates career pathways for individuals to return to work and fill high demand positions.
- SUPPORT:** The creation of a comprehensive and fully inclusive non-discrimination law.
- OPPOSE:** Any bill that would damage Texas's reputation as a business-friendly state and inhibit the attraction of talent for employers.
- SUPPORT:** Efforts to modernize systems across government agencies to reduce administrative burdens, increase efficiency, enhance transparency, and provide cost savings to businesses and taxpayers.
- SUPPORT:** The use of innovative technologies, such as cryptocurrency and blockchain, while protecting consumers and safeguarding the state's electric grid.

### **LOCAL GOVERNMENT:**

- SUPPORT:** Legislation that enhances local decision-making authority to govern properly and fully fund services, and adopt and enforce charters, ordinances, and building codes necessary to plan and provide for growth challenges.
- SUPPORT:** Legislation allowing local governments to increase restrictive revenue caps to fund essential services including public safety and transportation improvements.
- OPPOSE:** Any attempt to prohibit city, county, and education officials from the ability to engage government relations professionals or join associations to efficiently advocate on behalf of their community and communicate with the members of the Legislative Branch and Executive Branch, including state agencies.
- OPPOSE:** Legislation that eliminates the current uniform election dates and/or restricts local governments' ability to determine appropriate ballot language.

### **INFRASTRUCTURE:**

- SUPPORT:** Ensuring the state's electric grid will be able to reliably, efficiently, and sustainability serve the needs of the state while planning for future technologies' demand for electricity.
- SUPPORT:** The Texas State Water Plan to ensure a future water supply that meets the needs of our rapid population and economic growth.
- SUPPORT:** Funding for programs to create plans that address flooding in Texas with the goal to protect all Texans from natural disasters.
- SUPPORT:** The use of Public-Private Partnerships to meet increased needs while stimulating the economy and creating jobs through the planning, design, and construction of a multimodal transportation system of choice and other infrastructure projects that ensure safe and efficient movement of people and goods.
- SUPPORT:** Continued state investment in projects that enhance existing, and new infrastructure to meet the current and future needs.
- SUPPORT:** Continuing legislation that maintains a network of air quality monitors throughout North Texas.
- SUPPORT:** The implementation of a statewide broadband plan that equitably serves all Texans.
- SUPPORT:** Maintaining existing law relating to eminent domain authority to allow planning and development of new and/or existing infrastructure projects that are fundamental to economic growth.
- SUPPORT:** The use of domestic production of efficient energy sources, including all fuel sources, to further Texas' position as a global energy leader all while being responsible to consumers.

**Maura Gast**

**From:** Tori Emerson Barnes, U.S. Travel Association <feedback@ustravel.org>  
**Sent:** Wednesday, November 30, 2022 12:29 PM  
**To:** Maura Gast  
**Subject:** Industry Insider - November 30, 2022

**U.S. TRAVEL**  
ASSOCIATION\*

U.S. Travel Association's  
**industry insider**

An update on industry happenings

By Tori Emerson Barnes • Nov 30, 2022  
Smart Brevity® count: 5.5 mins... 1426 words

**#TheyWaitWeLose: Staggering visa wait times deter travelers**

**THEY WAIT, WE LOSE** | U.S. TRAVEL ASSOCIATION\*

**WHAT CAN YOU DO IN 400 DAYS**  
while you're waiting for a visitor visa.

- 1 GO TO MARS... AND BACK**
- 2 HAVE A CHILD**
- 3 LEARN TO SPEAK ENGLISH**
- 4 GO FROM VINE TO WINE**


see the full list

**Visitor visa wait times average a staggering 400+ days** for first-time applicants from some of the largest countries for inbound travel.

- **This creates a de facto travel ban** deterring potential visitors from abroad and hurting businesses here in the United States.

**To put this burden into perspective,** [check out](#) what travelers could do in the time it would take them to get a visa to visit the U.S.

**Help bring attention to this issue:** Share this message across your social networks on [Twitter](#), [LinkedIn](#), [Instagram](#) and [Facebook](#).

-  **Download** [this suite of graphics](#) to post with your own customized message.

U.S. Travel will launch the “They Wait, We Lose” activation this week, highlighting the issues surrounding excessive visa wait times.

- This effort will include a custom website to [capture the perspectives](#) of potential visitors as well as U.S. business owners. It will also be featured on social media using the hashtag **#TheyWaitWeLose**.

 Read our [latest fact sheet](#).

## Visa processing delays are hurting economic growth

The **visa processing delays** are keeping an estimated

**6.6 million** **POTENTIAL VISITORS**

from **traveling to the United States in 2023**

**AT A LOSS OF \$11.6 billion**

in projected spending.

use sample press release

**Fortune recently published a [piece](#) authored by U.S. Travel's President and CEO Geoff Freeman underscoring the economic problem created by long visa wait times.**

**In the [article](#), Freeman emphasized that millions of tourists and business travelers are languishing for months or years waiting for an interview to apply for a U.S. visitor visa.**

**Why it matters:** All told, visa processing delays could keep an estimated 6.6 million potential travelers from visiting the United States in 2023—a loss of \$11.6 billion.

- Rather than turning important economic activity away, the Biden administration should focus on fixing this issue to positively impact the economy as we sit on the brink of recession.

**Use your organization's voice** to underscore this message.

- [Click here](#) for a sample, customizable press release to highlight the severity of this issue.



## Update: ESTA for Visa Waiver Program travelers to Cuba



**In January 2021**, former President Donald Trump re-added Cuba to the list of State Sponsors of Terrorism—making Visa Waiver Program (VWP) travelers who had visited Cuba ineligible to use the Electronic System for Travel Authorization (ESTA), even if travel occurred when restrictions on Cuba were **not** in place.

**Why it matters:** From 2015 to 2020, while Cuba was not subject to travel and trade restrictions, more than 4.2 million travelers from VWP countries visited Cuba.

- If this group is entirely ineligible to use ESTA, it will flood and overwhelm VWP country consulates with new visa applications—and potentially dissuade travelers from visiting the U.S. due to a much more cumbersome visa process.

**We have been engaging with** the U.S. Department of Homeland Security (DHS) asking that they:

1. Issue guidance clarifying that VWP travelers who visited Cuba when travel and security restrictions were not in place (2015-2020) remain eligible to use ESTA.
2. Clearly communicate to potential travelers from VWP countries the appropriate process for gaining authorization to visit the U.S.

**What's next:** Over the past several months, we have had productive meetings with DHS about this issue and expect that an announcement will be coming soon based on our most recent conversations.

## Legislative update: Sign on to our end-of-year push TODAY



**We've extended the deadline!** [Add your organization](#) to this important effort **end of day today, November 30.**

**Co-sign** [this industry letter](#) asking Congress to:

- **Address long visa wait times** by enacting the Visitor Visa Wait Time Reduction Act ([H.R. 9141](#)), which directs the U.S. Department of State to prioritize visa processing resources

on the consular posts with the highest demand and longest wait times.

- **Support the Service Worker Economic Stabilization Act ([H.R. 9231](#)):** This bipartisan bill would temporarily remove disincentives in the tax code that discourage companies from spending on in-person meetings and business travel.
- **Pass the Omnibus Travel and Tourism Act ([S. 3375](#)):** The bill includes the bipartisan Visit America Act ([H.R. 6965/S. 1947](#)), which would establish an Assistant Secretary of Travel and Tourism at the U.S. Department of Commerce.

**With business and international travel spending** looking at a 2027 and 2025 time horizon for recovery to pre-pandemic levels, please join us in urging Congress to act **this year** on these critical policies.

## Election update: Lame duck in progress



**Thank you** to all those who exercised their right to vote this election year!



## What Meeting Planners Need to Know About Destination Boycotts

November 30, 2022 Danielle LeBreck



When a majority draft opinion from the U.S. Supreme Court was leaked in May, hinting that *Roe vs. Wade* would be overturned in the summer, the [American College of Obstetricians and Gynecologists \(ACOG\)](#) decided to pull their annual Clinical and Scientific Meeting out of New Orleans.

Louisiana at the time was one of 13 states that had a trigger law in place that would outlaw abortion if the U.S. Supreme Court overturned *Roe vs. Wade*, and ACOG, which hosts the largest gathering of obstetricians and gynecologists, cited that it could not convene in a destination that was out of step with its values.

"We made this decision consistent with our long-standing values and in response to the introduction of legislation in Louisiana criminalizing the practice of evidence-based medicine," said Rachel Kingery, senior media relations manager for ACOG, in a statement to *Meetings Today*. "Holding the nation's largest gathering of obstetrician-gynecologists in a location where the provision of evidence-based care is banned and/or subject to criminal or other penalties is directly at odds with our mission and values."

ACOG's annual meeting attracted more than 4,000 attendees to San Diego in 2022, and likely pulls comparable attendance numbers from New Orleans in 2023.

"ACOG requires the ability to present, discuss and educate on the full range of reproductive health care at our Clinical and Scientific Meeting in a setting that is safe and in a place where our members will be free from personal attack or civil or criminal prosecution," she added. "We will continue supporting the safety of our members and opposing legislative interference in the practice of evidence-based medicine."

Ultimately, *Roe vs. Wade* was in fact overturned on June 24, following the *Dobbs vs. Jackson* decision, causing a string of meeting



impact through the meetings industry, causing more organizations to weigh whether they bring their future meetings to destinations in which abortion rights are under fire.

It all brings back to the fore the specter of “destination boycotts,” where meetings and events move their business out of destinations with the ultimate goal of affecting legislative change, or only bring business to destinations that align with their values.

As this strategy makes headlines in the meetings and events industry again, it may leave meeting professionals wondering: Do destination boycotts work? What legal challenges will my group face as a consequence? And, what alternatives are there to destination boycotts if my group can’t afford to cancel?

To help meeting and event professionals navigate the murky waters of destination boycotts, we take a deep dive into the subject, including some advice for how to approach the conversation with your organization and event partners.

## Why Do Meetings Utilize Destination Boycotts?

Destination boycotts aren’t a new idea. The utilization of destination boycotts made headlines in 2016 when North Carolina passed House Bill 2, also known as the “bathroom bill,” which required that people at a government-run facility must use bathrooms and locker rooms that correspond to the gender on their birth certificate. The controversial legislation received harsh criticism from LGBTQ groups, and major events scheduled in the state threatened to pull their events as a result.

The bill was soon repealed after the NCAA got involved, removing seven championship events, including their March Madness events, proving that destination boycotts can work in affecting legislative change.

With the SCOTUS decision to overturn *Roe v. Wade* on June 24 of this year, destination boycotts came into the meeting sphere again. In addition to ACOG, for example, a professional medical and research ethics organization, Public Responsibility in Medicine and Research, [cancelled its planned convention in Salt Lake City](#) scheduled for this November in response to the Utah’s trigger law that bans most abortions and its recent passage of legislation that bans transgender youth athletes from competing on girls teams.

For ACOG, relocation was the only option for their attendees to feel comfortable. While the group declined to share contract specifics about the challenges of cancelling their business with the convention center and various hotels, it felt confident their decision was the right one for its attendees.

“Any challenges in relocating the conference were less important to us than the ability to conduct our annual Clinical and Scientific Meeting in a setting where our members can freely discuss the full scientific scope of providing reproductive health care without threat of harm,” Kingery said.

Craig Davis, president and CEO of [Visit Dallas](#), said that his team has experienced a number of cancellations in the wake of the SCOTUS decision as well. The decisions bring frustration to CVBs like Visit Dallas, which represent more-progressive cities in conservative states like Texas.

“We are not a reflection of our entire state’s populace, and it’s very frustrating to us that we are getting punished for something we didn’t do,” he said. Davis also mentioned the CVB fights against misperceptions that Dallas isn’t welcoming to diverse communities like LGBTQ groups or minority groups, for example, which can also



Fighting back against these perceptions and acting as an ally and educator to planners with concerns about their city is one way Visit Dallas is working through these challenges.

"We were the first DMO to have a chief diversity officer, and that was created 10 years ago," he noted as an example of a talking point with groups that have concerns about Dallas, "and also have the **sixth-largest LGBTQ community in the U.S.**"

[From [Destinations International: A Toolkit for Dealing With a Travel Ban or Boycott Around Your Event](#)]

## The Argument Against Destination Boycotts

While there are examples of destination boycotts creating legislative change, such as the House Bill 2 example in North Carolina, there are others who would argue that it's an exceptional case.

"To us, [destination boycotts] are counterproductive. We also think they're ineffective," said Jack Johnson, chief



*Jack Johnson*

advocacy officer for Destinations International. "Destination boycotts are not actually targeting the people who can actually make the change. That's the legislators; it's elected officials, the governors or councilmen, or whatever it is. And they don't know that you're not there."

Davis agreed, and said that while destination boycotts are usually well-intentioned, they often do more harm than good, in his opinion. Those in the hospitality industry—hotels, venues, restaurants, etc.—are many times most affected by the lost business.

"I'd like to caution people about pulling out of cities like us. These kinds of laws are getting passed all over the U.S., and it's going to do nothing to help the people they are trying to protect," he said, instead encouraging meeting planners to have an open conversation with their CVB partners before deciding to cancel a meeting. "If you have a concern, then we as a DMO can set you up with the right people to speak to and have a conversation about your concerns. That's what we can offer as a city—to help you have that dialogue with our elected officials."

"At the heart of things, it goes against what meetings are all about, which is to bring people together and have that exchange and to learn



involved in the community.

[Related: [Destinations International Announces New Destination Booking Agreement](#)]

## The Legal Challenges of Cancelling a Meeting and How to Protect Your Group

For groups that have already contracted their meeting in a city that no longer aligns with their group's mission and values, choosing to cancel can open up a host of legal challenges.



*Joshua Grimes*

"In the vast the majority of meeting contracts, there is no right to pull out of a venue contract because of a change in law that offends the principles of the organization or its members," explained meetings industry attorney Joshua L. Grimes, Esq., principal of Grimes Law Offices. "And, it's not a force majeure. So, if you're going to pull out, you're probably going to pay cancellation damages, unless you reach some settlement with the venues you're under contract with."

If the groups you are working with have expressed concerns about certain destinations and their legislation relating to abortion, LGBTQ rights, voting rights, among others, Grimes says it's important to have open conversations.

"I think it's incumbent on organizations to think about whether there are destinations that they find to be concerning in terms of their legislation," Grimes advised. "What I'm seeing is some organizations are just staying away from those states [that concern them]. Whether a boycott is a good idea, that's not the lawyer's decision, respectfully. I understand the argument that the CVBs make that you shouldn't hurt our hotels because of government issues, but the reality is that organizations can choose who they want to support.

"The other way to handle that is to have a contract provision for new laws that are enacted after you've contracted with a destination so that you can pull out if it offends a group's principles," Grimes added. "It's indefinite to say, 'If something comes up that offends our company's principles,' but it is possible to create that, but difficult to get the destination to agree to that."

There are some meetings with CVBs and destinations that the



"If you have a concern, then we as a DMO can set you up with the right people to speak to and have a conversation about your concerns," Davis said. "And that's precisely what we've been doing."

Davis noted that Visit Dallas can connect groups to local elected officials, and that Dallas also has Black, Latino and LGBTQ chambers, and has previously connected groups with certain concerns to members of those chambers to have an open dialogue.

Another thing to be aware of, Grimes cautioned, is that some governments prohibit their employees from traveling to certain states, and groups should explore this before booking in a destination. California does that in particular with its [AB 1887 legislation](#), which prohibits a state agency, department, board or commission from requiring any state employees, officers or members to travel to a state that, after June 26, 2015, has enacted a law that discriminates against lesbian, gay, bisexual and transgender people.

"If a lot of your attendees are government employees, that could be a force majeure. But that's not the usual situation," Grimes added.

**[Related: [An Essential Contract Checklist for Meeting Planners](#)]**

## Alternatives to Destination Boycotts

Cancellation damages can often be steep, and some groups may not be able to afford to cancel the meeting, despite the concerns of the organization, its members and/or attendees of the meeting—not to mention the logistical headaches of rebooking in a new destination.

There are still options on the ground to support your cause that, Johnson argues, are more engaging options to affect real change on the issue you care about.

Johnson referenced actions that Destinations International took in 2019 when their annual convention took place in St. Louis.

"At the time, Missouri was debating a bill on restricting reproductive rights," he said. "We had people reach out to us that said, 'I'm not comfortable coming to Missouri and supporting that. But we want to come to the convention. We're torn.'"

Johnson said that the Destinations International team urged those attendees to still come to the convention. "[We said] 'You will learn more from being here, you'll interact with your peers, all the reasons that are really good about a meeting. But let us put you in contact with the local chapter of Planned Parenthood.'"

Johnson also recommended that groups put together a bank of information for attendees, listing local businesses like restaurants, shops, etc., that support abortion rights, for example, so that visitors can help fundraise or give their money to local business that are aligned with their values.

"Most of these boycotts, while totally well-intentioned, are rarely called for by the locals," Johnson said. "How can you activate? How can you make it known you're there to engage with the locals?"

Other alternatives Johnson offered include fundraising for local groups supporting the issue you care about, meeting with local elected officials and letting them know your concerns, or even taking out a full-page ad in a local publication stating your concerns. Johnson cited a medical group did just that, stating its concerns about reproductive rights in the destination in which it was meeting.

"It can be as modest as a T-shirt campaign," he said. "Sell the T-shirts, and that money goes to support a local organization."



attendees and organizations to donate to charities that counter the legislation and policies in question in the destinations they are gathering in. It's yet another example of working to make changes on the ground.

[Related: [An Alternative to Destination Boycotts: SocialOffset](#)]

## The Bottom Line: Communication Is Key

The most important takeaway for meeting professionals grappling with the issue of destination boycotts? Stay in communication with all of the stakeholders. Know the values and needs of the group you are representing, know the legal challenges that your group will face if you cancel a meeting and have an open dialogue with the host city to see how your group can have an impact on the ground if cancellation isn't an option.

Because ACOG's mission and values around reproductive healthcare is well defined, and it is in-step with the feelings of its members, it felt confident in its decision to remove its meeting from New Orleans rather than explore alternative options in the city.

"Our members are appreciative that ACOG is demonstrating our values so concretely. Our members in Louisiana understand that we made this decision as part of our commitment to them and their patients," Kingery said.

The mission and values of other groups and associations may not make the decision as easy as it was for ACOG—all the more reason to constantly monitor the pulse of members and attendees.

"I see this issue becoming more frequent," Grimes said of destination boycotts, given the high tensions in the country right now around politics and social issues.

He recommends that as your group plans for future meetings, you should discuss these things up front with your group, and during the RFP process with a destination.

"When they start planning the meeting, decide where it is they will be comfortable, to pay particular attention if a certain state is of concern," he said. "Stay away from them. Once you sign the contract, it is going to be difficult to cancel without paying damages."

And if you decide to move forward with meetings in destinations that might give your attendees some pause, Johnson suggests recalling why face-to-face interactions and travel is so important.

"This is just getting to the heart of why we all believe in travel. Travel opens you up to new experiences; it's really the only time that people are open to change," he said. "If I sum it all up in one message, it's basically: You shouldn't avoid these destinations, you should go there and engage in activity that empowers the locals who are fighting the battle."

**Read this next: [Use This Contract Clause to Protect Your Meeting From Destination Boycotts](#)**

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## EVENT LOCATION: QUESTIONS FOR CONSIDERATION

In principle and in practice, ASAE values and seeks diverse and inclusive participation within the field of association management. ASAE opposes all legislation that permits discrimination or seeks to limit existing protections for all. This position extends to state legislation that would preempt existing local non-discrimination ordinances and/or restrict equal access to public accommodations. In choosing destinations to host meetings or events, ASAE looks closely at whether there are municipal non-discrimination ordinances in place to ensure that ASAE attendees feel welcome and safe in a host city. ASAE also opposes legislation and/or policies that permit individuals and businesses to deny services to anyone based on religious or moral convictions. ASAE supports federal legislation to amend the Civil Rights Act of 1964 to explicitly prohibit discrimination on the basis of sexual orientation and gender identity.

*—ASAE Board Approved Issue Statement*

**This document is intended to serve as a framework for informing ASAE board decisions when addressing legislation counter to organizations' values in future meeting sites.**

## INFORMATION GATHERING ON SPECIFIC LEGISLATION/POLICY PRIOR TO ACTING

**When an issue has been flagged in a location for an upcoming or potential meeting, how can an association determine the role the local jurisdiction is playing in the issue?**

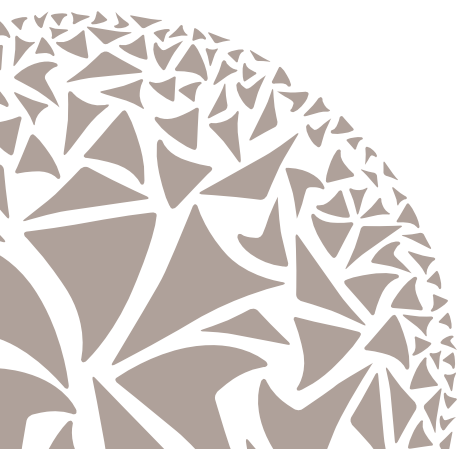
- » Have you investigated how the local city Destination Management Organization (DMO) or the city itself has worked to address discriminatory laws or regulations in their area?
- » Who owns the facility where the event is scheduled to take place?
- » Where do local elected officials stand on the legislation/policy?
- » What is the position of the state/local association and how involved are they in the debate over the policy in question?
- » Where was the municipal league on this issue?
- » Does the local jurisdiction have an anti-discrimination policy?
- » Where do the local and state tourism/hospitality associations stand on the legislation/policy?
- » What is the cities ranking on the Human Rights Campaign (HRC) Municipal Equality Index (MEI) Scorecard?
- » How can the association work with the local DMO and the association's own local members or chapter to demonstrate to legislators the broad negative results from discriminatory laws and regulations?

## CONTRACT LEGAL QUESTIONS FOR CONSIDERATION

- » Does the association have the option to cancel without penalty? If not, what are the financial, political, and cultural consequences of cancelling?
- » Is the hotel venue part of a national chain with options for transferring the event to a different venue?
- » What else can be done to address the offensive political decision in a jurisdiction where the association has an event venue legal agreement requiring going forward with the event (or suffering a large penalty)?

## CONTRACT ETHICAL QUESTIONS FOR CONSIDERATION

- » Consider all the parties who could be affected by the decision to cancel. This may include the members/attendees visiting for the event, the members of the association who live there, the association as a whole, the community hosting the event, the hourly hospitality workers at the venue, hotels, restaurants etc. Consider all of this, in combination with the policy decision and the contract, weighing the financial considerations as well as the association's values, and the impact on those affected by the decision to cancel or not. What are those implications for those involved? Take note to consider supplier, vendor, and speaker contracts.
- » How does the decision to stay at the venue or cancel intersect with the association's values statements, Code of Ethics, and/or advocacy positions held by the association?
- » Does staying or cancelling undermine or advance the association's reputation?





## EQUITY ANALYSIS

### The following questions address stakeholder and member impact:

- » Who is most adversely affected and impacted by the policy?
  - » Who faces barriers or bias, or exclusion from power, related to this issue?
  - » Are a large number of those affected making their living in hospitality and the venues, hotels, restaurants, etc?
- » How are groups differently situated or affected by this issue or policy?
  - » What are ways our stakeholders/members are adversely affected by the issue or policy?
  - » How will the proposed policy, practice or decision affect each group?
  - » How will the proposed policy, practice or decision be perceived by each group?
  - » Does the policy, practice or decision worsen or ignore existing disparities?

## ASSOCIATION ACTIONS TO ADDRESS THE ISSUE

### Substantive actions that associations can take to impact the policy concern, outside of cancelling the event:

- » Consider communicating with the members in advance of the event explaining the issue and the association's decision to stay. This may include an email communication, video message from the leadership, social media posts, etc. If there are safety concerns for some attendees given the issue, explain what the association will do to ensure their safety once on site.
- » Highlight the issue through possible education sessions that discuss the issue in a positive and constructive manner.
- » Host an in-person activity, charitable fundraiser, or service project in the community focused on the issue.
- » Determine if the association PAC and/or partner organizations have supported elected officials who voted for the legislation, and then engage with these elected officials prior to, during and post event.
- » Partner with the local chamber of commerce, destination organization i.e. convention and visitors bureau and local nonprofits or coalitions who are active on the issue and solicit their support of your action.
- » Consider involving the media to draw attention to the issue from the association's perspective.
- » Work with the local DMO and local chapter to affect change and meet with local legislators on how discriminatory laws negatively affect their members.
- » Consider meeting with local political decision makers to highlight the concerns for the association.

## ONGOING ISSUE SCANNING

**ASAE recommends that the advocacy team update the board of any potential or pending legislation that negatively impacts our policy statements on a regular basis.**





# U.S. Hotel Forecast

Forecasted in November, 2022



## Insights

The updated forecast released in November by Tourism Economics and STR anticipates weaker economic momentum will temper the travel recovery, but the rebuilding of business travel and the ongoing prioritization of leisure travel is expected to support continued lodging demand growth next year.

US hotel demand is anticipated to recover to slightly above 2019 levels on an annual basis in 2023.

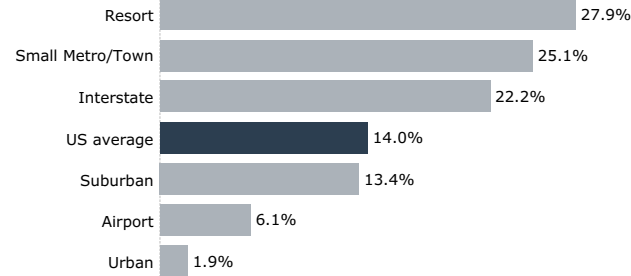
Hotel average daily rate (ADR) is expected to recover to 15.3% ahead of 2019 levels in 2023. Real ADR, which is adjusted for inflation, is expected to average 3.5% below 2019 levels in 2023.

Overall, hotel RevPAR is expected to improve 29.8% in 2022, followed by 3.4% growth in 2023, as compared to the prior forecast in August that anticipated 29.5% and 5.7% growth, re..



## U.S. Actual RevPAR Growth by Location

October 2022, % change relative to 2019



Source: STR

## U.S. Hotel Forecast Summary

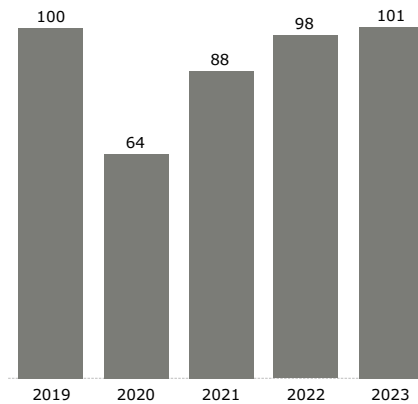
YOY % change, Forecast released November 2022

	2020	2021	2022	2023
Supply	-4.0%	5.0%	2.0%	1.1%
Occupancy	-33.4%	-12.7%	-4.9%	-3.3%
Demand	-36.0%	37.5%	11.2%	2.8%
ADR	-21.1%	20.8%	19.0%	1.7%
RevPAR	-47.4%	58.2%	29.8%	3.4%
RevPAR relative to 2019	-47.4%	-16.8%	7.9%	11.6%

Note: RevPAR reflects standard methodology  
Source: STR; Tourism Economics

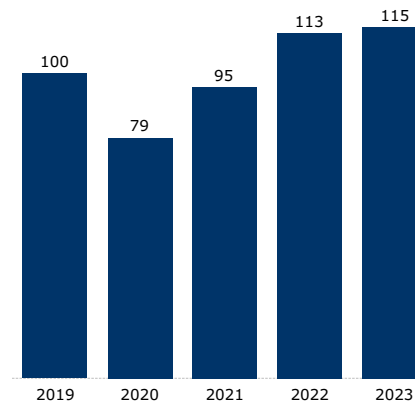
## Occupancy Index

Index (2019 = 100)



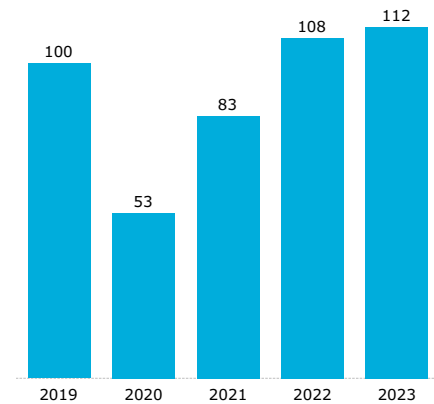
## ADR Index

Index (2019 = 100)



## RevPAR Index

Index (2019 = 100)



Note: RevPAR reflects standard methodology  
Source: STR; Tourism Economics



# Texas Travel Indicators

October, 2022

Select a State

Texas

## Texas Travel Impact

October, 2022

Travel Spending **\$7.50B**  
 ↗ +6.9% vs. 2019

Tax Revenue **\$463.3M**  
 ↗ +4.9% vs. 2019

## U. S. Total Travel Impact

October, 2022

Travel Spending **\$103.71B**  
 ↗ +3.4% vs. 2019

Tax Revenue **\$7.0B**  
 ↗ +2.3% vs. 2019

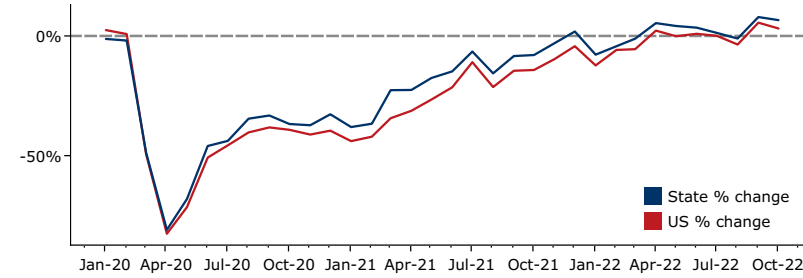
## Texas Travel Spending

	Travel Spending	vs. Last Year	vs. 2019	Market Growth Index (US = 100)*
Nov-21	\$6.35B	↗ +54.8%	↘ -2.7%	107
Dec-21	\$6.69B	↗ +51.5%	↗ +2.1%	106
Jan-22	\$5.77B	↗ +48.9%	↘ -7.6%	105
Feb-22	\$5.93B	↗ +51.2%	↘ -4.0%	102
Mar-22	\$6.94B	↗ +27.8%	↘ -0.9%	105
Apr-22	\$7.23B	↗ +36.1%	↗ +5.7%	103
May-22	\$7.40B	↗ +26.4%	↗ +4.5%	104
Jun-22	\$7.50B	↗ +21.5%	↗ +3.8%	103
Jul-22	\$7.49B	↗ +8.3%	↗ +1.5%	101
Aug-22	\$7.16B	↗ +17.3%	↘ -0.8%	103
Sep-22	\$7.30B	↗ +17.8%	↗ +8.2%	102
Oct-22	\$7.50B	↗ +15.9%	↗ +6.9%	103

Source: Tourism Economics (Travel Spending)..

## Travel Spending (% change vs 2019)

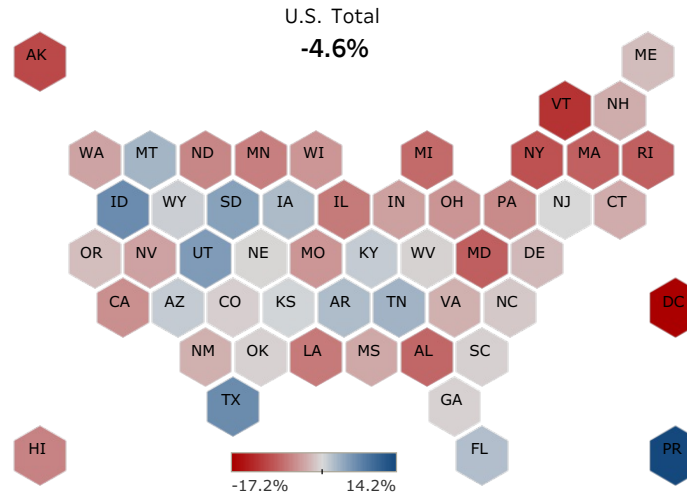
Texas vs U.S. total



## L & H Jobs by State

October, 2022, % change vs. 2019

L & H Jobs



↗ +6.9%

October vs. 2019  
**Travel Spending**  
(Tourism Economics)



↗ +4.2%

October vs. 2019  
**Air Passengers**  
(Airline Data Inc; TSA)



↗ +1.5%

October vs. 2019  
**Auto Trips**  
(Arrivalist)



↗ +3.2%

October vs. 2019  
**Hotel Demand**  
(STR)



↗ +6.6%

October vs. 2019  
**L & H Jobs**  
(BLS)

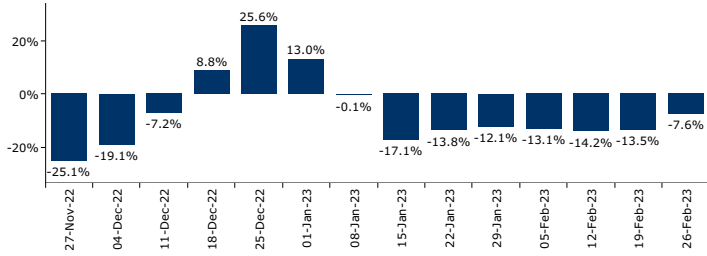


# Domestic Business Travel

October, 2022

## U.S. Hotel Corporate Transient Occupancy Pace

Corporate booking pace vs same time 2019, 7-day running avg by stay date



Source: TravelClick, an Amadeus Company

## Business Travel Spending by Purpose of Trip

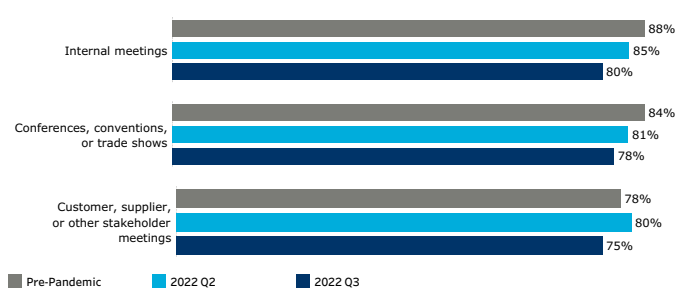
Corporate executives expecting to spend less over the next 6-months, released October 2022



Source: Tourism Economics; U.S. Travel Association; and J.D. Power

## Business Travel Plans Next Six Months

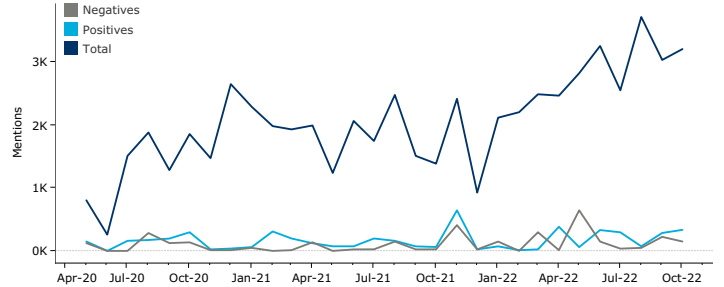
% share of respondents expecting to take at least one trip, released October 2022



Source: Tourism Economics; U.S. Travel Association; and J.D. Power

## Social Business Travel Sentiment

Social mentions by sentiment



Source: MMGY Global

# VOLUME

## U.S. TRAVEL FORECAST - VOLUME

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Total # of trips</b>	<b>2.40 B</b>	<b>1.60 B</b>	<b>2.04 B</b>	<b>2.30 B</b>	<b>2.39 B</b>	<b>2.51 B</b>	<b>2.57 B</b>	<b>2.61 B</b>
<b>Domestic person-trips</b>	<b>2.32 B</b>	<b>1.58 B</b>	<b>2.02 B</b>	<b>2.25 B</b>	<b>2.33 B</b>	<b>2.43 B</b>	<b>2.48 B</b>	<b>2.52 B</b>
Leisure	1.85 B	1.40 B	1.77 B	1.88 B	1.91 B	1.97 B	2.01 B	2.04 B
Business	464 M	181 M	250 M	371 M	417 M	464 M	471 M	479 M
Auto	2.13 B	1.50 B	1.89 B	2.08 B	2.14 B	2.23 B	2.27 B	2.31 B
Air	189 M	79 M	131 M	175 M	186 M	202 M	209 M	212 M
<b>International Arrivals</b>	<b>79.4 M</b>	<b>19.2 M</b>	<b>22.1 M</b>	<b>50.2 M</b>	<b>59.9 M</b>	<b>75.4 M</b>	<b>84.8 M</b>	<b>89.3 M</b>
Canada	20.7 M	4.8 M	2.5 M	13.9 M	17.7 M	21.7 M	24.3 M	25.1 M
Mexico	18.3 M	6.8 M	10.4 M	13.6 M	15.4 M	18.3 M	19.6 M	20.1 M
Overseas	40.4 M	7.6 M	9.2 M	22.8 M	26.8 M	35.4 M	40.8 M	44.0 M

## U.S. TRAVEL FORECAST - VOLUME, YOY % CHANGE

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Total # of trips</b>	<b>1.7%</b>	<b>-33.2%</b>	<b>27.6%</b>	<b>12.7%</b>	<b>3.6%</b>	<b>5.0%</b>	<b>2.5%</b>	<b>1.7%</b>
<b>Domestic person-trips</b>	<b>1.8%</b>	<b>-31.8%</b>	<b>27.8%</b>	<b>11.4%</b>	<b>3.2%</b>	<b>4.5%</b>	<b>2.2%</b>	<b>1.6%</b>
Leisure	1.9%	-24.5%	26.5%	6.2%	1.4%	3.0%	2.3%	1.5%
Business	1.1%	-60.9%	37.6%	48.6%	12.5%	11.1%	1.5%	1.7%
Auto	1.5%	-29.4%	25.7%	9.9%	3.0%	4.1%	2.0%	1.5%
Air	4.3%	-58.4%	67.0%	33.5%	6.1%	8.3%	3.7%	1.6%
<b>International Arrivals</b>	<b>-0.4%</b>	<b>-75.8%</b>	<b>15.0%</b>	<b>127.3%</b>	<b>19.3%</b>	<b>25.9%</b>	<b>12.3%</b>	<b>5.3%</b>
Canada	-3.5%	-76.8%	-47.4%	449.0%	27.7%	22.5%	12.1%	3.3%
Mexico	-0.3%	-62.9%	52.7%	30.4%	13.4%	19.3%	7.2%	2.2%
Overseas	1.3%	-81.2%	20.8%	148.4%	17.6%	32.1%	15.2%	8.0%

## U.S. TRAVEL FORECAST - VOLUME, % OF 2019 LEVELS

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Total # of trips</b>	<b>100%</b>	<b>67%</b>	<b>85%</b>	<b>96%</b>	<b>99%</b>	<b>104%</b>	<b>107%</b>	<b>109%</b>
<b>Domestic person-trips</b>	<b>100%</b>	<b>68%</b>	<b>87%</b>	<b>97%</b>	<b>100%</b>	<b>105%</b>	<b>107%</b>	<b>109%</b>
Leisure	100%	76%	96%	101%	103%	106%	108%	110%
Business	100%	39%	54%	80%	90%	100%	102%	103%
Auto	100%	71%	89%	98%	100%	105%	107%	108%
Air	100%	42%	70%	93%	98%	107%	111%	112%
<b>International Arrivals</b>	<b>100%</b>	<b>24%</b>	<b>28%</b>	<b>63%</b>	<b>75%</b>	<b>95%</b>	<b>107%</b>	<b>112%</b>
Canada	100%	23%	12%	67%	86%	105%	117%	121%
Mexico	100%	37%	57%	74%	84%	100%	107%	110%
Overseas	100%	19%	23%	56%	66%	88%	101%	109%

# SPENDING

## U.S. TRAVEL FORECAST - SPENDING (ADJUSTED FOR INFLATION)\*

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Total Travel Spending</b>	<b>\$1.17 T</b>	<b>\$722 B</b>	<b>\$886 B</b>	<b>\$1.00 T</b>	<b>\$1.11 T</b>	<b>\$1.16 T</b>	<b>\$1.20 T</b>	<b>\$1.21 T</b>
<b>Leisure</b>	<b>\$867 B</b>	<b>\$622 B</b>	<b>\$764 B</b>	<b>\$783 B</b>	<b>\$852 B</b>	<b>\$889 B</b>	<b>\$923 B</b>	<b>\$934 B</b>
<b>Business</b>	<b>\$306 B</b>	<b>\$101 B</b>	<b>\$122 B</b>	<b>\$217 B</b>	<b>\$259 B</b>	<b>\$275 B</b>	<b>\$276 B</b>	<b>\$277 B</b>
<b>Domestic</b>	<b>\$992 B</b>	<b>\$682 B</b>	<b>\$845 B</b>	<b>\$907 B</b>	<b>\$982 T</b>	<b>\$1.01 T</b>	<b>\$1.02 T</b>	<b>\$1.03 T</b>
Leisure	\$722 B	\$589 B	\$730 B	\$710 B	\$748 B	\$760 B	\$775 B	\$778 B
Business	\$270 B	\$93 B	\$115 B	\$197 B	\$234 B	\$246 B	\$247 B	\$247 B
Transient	\$157 B	\$63 B	\$80 B	\$122 B	\$139 B	\$145 B	\$146 B	\$146 B
Group	\$113 B	\$30 B	\$35 B	\$76 B	\$95 B	\$101 B	\$101 B	\$101 B
<b>International**</b>	<b>\$181 B</b>	<b>\$41 B</b>	<b>\$41 B</b>	<b>\$93 B</b>	<b>\$129 B</b>	<b>\$158 B</b>	<b>\$177 B</b>	<b>\$185 B</b>
Leisure	\$145 B	\$33 B	\$34 B	\$73 B	\$103 B	\$129 B	\$147 B	\$156 B
Business	\$36 B	\$8 B	\$7 B	\$20 B	\$25 B	\$29 B	\$29 B	\$30 B
Transient	\$22 B	\$5 B	\$4 B	\$13 B	\$16 B	\$18 B	\$18 B	\$18 B
Group	\$14 B	\$3 B	\$3 B	\$7 B	\$9 B	\$11 B	\$11 B	\$11 B

## U.S. TRAVEL FORECAST - SPENDING, YOY % CHANGE (ADJUSTED FOR INFLATION)\*

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Total Travel Spending</b>	<b>0.9%</b>	<b>-38.4%</b>	<b>22.7%</b>	<b>12.9%</b>	<b>11.0%</b>	<b>4.8%</b>	<b>3.0%</b>	<b>1.0%</b>
<b>Leisure</b>	<b>0.6%</b>	<b>-28.3%</b>	<b>22.9%</b>	<b>2.5%</b>	<b>8.8%</b>	<b>4.4%</b>	<b>3.8%</b>	<b>1.2%</b>
<b>Business</b>	<b>1.7%</b>	<b>-67.0%</b>	<b>21.4%</b>	<b>77.6%</b>	<b>19.1%</b>	<b>6.1%</b>	<b>0.5%</b>	<b>0.4%</b>
<b>Domestic</b>	<b>1.9%</b>	<b>-31.3%</b>	<b>24.0%</b>	<b>7.3%</b>	<b>8.2%</b>	<b>2.4%</b>	<b>1.6%</b>	<b>0.4%</b>
Leisure		-18.5%	24.0%	-2.7%	5.4%	1.6%	2.0%	0.4%
Business		-65.5%	24.1%	71.0%	18.4%	5.1%	0.4%	0.3%
Transient		-59.7%	27.3%	51.8%	14.0%	4.3%	0.4%	0.6%
Group		-73.5%	17.5%	114.8%	25.5%	6.3%	0.3%	0.0%
<b>International**</b>	<b>-4.1%</b>	<b>-77.6%</b>	<b>0.8%</b>	<b>128.0%</b>	<b>38.1%</b>	<b>22.7%</b>	<b>12.0%</b>	<b>4.9%</b>
Leisure		-77.4%	3.4%	1116.0%	41.3%	24.6%	14.4%	5.7%
Business		-78.4%	-10.4%	186.3%	26.2%	14.9%	1.3%	0.7%
Transient		-77.5%	-14.6%	217.3%	21.0%	12.1%	0.5%	0.3%
Group		-79.8%	-3.4%	140.3%	36.4%	19.8%	2.5%	1.4%

## U.S. TRAVEL FORECAST - SPENDING, % OF 2019 LEVELS (ADJUSTED FOR INFLATION)\*

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Total Travel Spending</b>	<b>100%</b>	<b>62%</b>	<b>76%</b>	<b>85%</b>	<b>95%</b>	<b>99%</b>	<b>102%</b>	<b>103%</b>
<b>Leisure</b>	<b>100%</b>	<b>72%</b>	<b>88%</b>	<b>90%</b>	<b>98%</b>	<b>103%</b>	<b>106%</b>	<b>108%</b>
<b>Business</b>	<b>100%</b>	<b>33%</b>	<b>40%</b>	<b>71%</b>	<b>85%</b>	<b>90%</b>	<b>90%</b>	<b>91%</b>
<b>Domestic</b>	<b>100%</b>	<b>69%</b>	<b>85%</b>	<b>91%</b>	<b>99%</b>	<b>101%</b>	<b>103%</b>	<b>103%</b>
Leisure	100%	82%	101%	98%	104%	105%	107%	108%
Business	100%	34%	43%	73%	87%	91%	91%	92%
Transient	100%	40%	51%	78%	89%	93%	93%	93%
Group	100%	26%	31%	67%	84%	89%	89%	89%
<b>International**</b>	<b>100%</b>	<b>22%</b>	<b>23%</b>	<b>52%</b>	<b>71%</b>	<b>87%</b>	<b>98%</b>	<b>103%</b>
Leisure	100%	23%	23%	51%	71%	89%	102%	108%
Business	100%	22%	19%	55%	70%	80%	81%	82%
Transient	100%	22%	19%	61%	74%	83%	83%	83%
Group	100%	20%	19%	47%	64%	77%	78%	80%

\*All spending data is cited in "real" 2019 \$, deflated based on the Travel Price Index

\*\* Includes general travel spending and passenger fares (does not include education/health/worker spending)

# TRAVEL PRICE INDEX (TPI)

## U.S. TRAVEL FORECAST - TRAVEL PRICE INDEX

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2016
<b>Travel Price Index</b>	<b>292</b>	<b>275</b>	<b>300</b>	<b>343</b>	<b>343</b>	<b>351</b>	<b>357</b>	<b>364</b>
Food Away from home	284	294	307	331	339	346	349	353
Lodging away from home	344	265	322	384	390	407	422	434
Motor Fuel	233	195	265	353	303	303	306	310
Public Transportation	259	227	231	279	291	296	300	304
<b>Consumer Price Index</b>	<b>256</b>	<b>259</b>	<b>271</b>	<b>293</b>	<b>305</b>	<b>313</b>	<b>319</b>	<b>326</b>

## U.S. TRAVEL FORECAST - TRAVEL PRICE INDEX, YOY % CHANGE

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Travel Price Index</b>	<b>1.9%</b>	<b>-5.8%</b>	<b>9.0%</b>	<b>14.5%</b>	<b>0.0%</b>	<b>2.4%</b>	<b>1.8%</b>	<b>1.8%</b>
Food Away from home	3.1%	3.4%	4.5%	7.6%	2.5%	2.0%	1.0%	1.0%
Lodging away from home	0.9%	-22.9%	21.6%	19.2%	1.5%	4.3%	3.6%	2.9%
Motor Fuel	-3.6%	-16.3%	35.8%	33.1%	-15.0%	0.0%	0.7%	1.3%
Public Transportation	0.3%	-12.3%	1.7%	20.7%	4.3%	1.7%	1.3%	1.3%
<b>Consumer Price Index</b>	<b>1.8%</b>	<b>1.2%</b>	<b>4.7%</b>	<b>8.1%</b>	<b>4.3%</b>	<b>2.5%</b>	<b>2.0%</b>	<b>2.0%</b>

## U.S. TRAVEL FORECAST - TRAVEL PRICE INDEX, % CHANGE COMPARED TO 2019

	ACTUAL			FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Travel Price Index</b>	<b>100%</b>	<b>94%</b>	<b>103%</b>	<b>118%</b>	<b>117%</b>	<b>120%</b>	<b>122%</b>	<b>125%</b>
Food Away from home	100%	103%	108%	116%	119%	122%	123%	124%
Lodging away from home	100%	77%	94%	112%	113%	118%	123%	126%
Motor Fuel	100%	84%	114%	151%	130%	130%	131%	133%
Public Transportation	100%	88%	89%	108%	112%	114%	116%	117%
<b>Consumer Price Index</b>	<b>100%</b>	<b>101%</b>	<b>106%</b>	<b>115%</b>	<b>119%</b>	<b>122%</b>	<b>125%</b>	<b>127%</b>

## PROCUREMENT

## STR Slightly Cuts 2023 U.S. Hotel Rate, Occupancy Forecast

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By **Angelique Platas** / November 22, 2022 / **Contact Reporter**

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Anticipating a “mild” recession going into 2023, STR and Tourism Economics in a report released Tuesday project U.S. hotel rates and occupancy next year will decrease slightly year over year, a bit below the companies’ previous forecast.

STR and Tourism Economics predict an average 2023 U.S. daily room rate of \$151, down from \$152 in their **previous forecast, issued in August**. The companies now project 2023 revenue per available room to reach \$96, down from \$98 in their previous forecast, but up 11.6 percent from 2019 levels.

The companies also project a 2023 occupancy rate of 63.8 percent, down from 64.6 percent in the prior forecast. The new projections, less than one percentage point different from the previous forecast, reflect the U.S. hotel industry’s continued “resilience through these tougher times, thus the steadiness of our updated forecast,” Tourism Economics director of industry studies Aran Ryan said in a statement.

Citing an Oxford Economics forecast of “a mild recession in the first half of 2023,” Ryan indicated he expects “weaker economic momentum will temper the travel recovery,” but anticipates “the rebuilding of business travel and the ongoing prioritization of leisure travel to support continued lodging demand growth next year.”

While inflation and “the likely recession” remain a consideration, according to Ryan, the companies predict corporate travel demand will continue in 2023.

“As expected, group business travel has been much more aligned with pre-pandemic patterns, specifically in October when group demand hit a pandemic-era high,” STR president Amanda Hite said in the report. “Leisure travel has maintained its strength since our previous forecast update, and we expect these strong demand trends in both group and leisure to continue through the fourth quarter.”

Staffing and labor concerns will trickle into 2023 as “high levels of hospitality unemployment and more spending on contract labor are pushing labor costs on a per-available-room basis above 2019 levels,” according to Ryan.

The companies project full-year occupancy of 62.7 percent, down from the 63.4 percent forecast in August, with ADR of \$148 and RevPAR of \$93, each the same as their August projection.

**RELATED: STR's August 2022 forecast**

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## PROCUREMENT

## PwC: 'Headwinds' Threaten 2023 U.S. Hotel Recovery Pace

By **Angelique Platas** / November 21, 2022 / **Contact Reporter**

U.S. average daily hotel rates and revenue per available room in 2023 will continue to climb, but at a slower and more manageable pace, according to PwC's recently released U.S. Hospitality Directions report.

"U.S. hotels will see RevPAR finish at record highs this year, but economic headwinds are expected to continue to strengthen in 2023, threatening the pace of recovery" U.S. hospitality and leisure managing director Warren Marr noted in the report.

Taking those economic headwinds, such as persistent inflation and a PwC-projected decline in leisure travel into consideration, the company revised its outlook for 2023. The company now projects hotel occupancy rates in 2023 to hit 63.6 percent, which is slightly below PwC's previous **projection in May**.

ADR in 2023 is forecast to rise 4.5 percent year over year to \$155.81, while RevPAR is projected to rise 5.8 percent to \$99.12—nearly 115 percent above pre-pandemic levels—according to PwC. While still steep, both ADR and RevPAR increases would be lower than the **sharp rate increases of 2022**.

However, PwC still expects demand from individual business travelers and groups to rise in 2023.

"In 2023, we expect demand growth from individual business travelers and groups to continue to offset a softening in leisure demand, with outbound international leisure travel outpacing inbound, given the relative strength of the dollar," according to PwC.

Travel demand skyrocketed this summer, following the ease of domestic travel restrictions and pent-up demand, but will slow going into 2023 as travelers remain cautious about the changing economic environment and "potential emergence of more potent variants of the virus over the winter months, and the ongoing conflict in Ukraine," according to the report.

As for development and expansions growth, "the Fed's monetary policy has resulted in significantly higher interest rates than previously expected over the period covered, resulting in an estimated steep slowing of construction starts for new hotels next year," according to PwC.

As for the rest of the year, U.S. full-year ADR in 2022 is projected to increase 19.3 percent year over year, pushing RevPAR to record highs by the end of 2022—up nearly 108 percent over 2019 levels. according to the report.

# Is DFW's Hotel Market In Recovery Mode? The Answer Depends On How You Interpret The Data

November 18, 2022 | Olivia Lueckemeyer, Bisnow Dallas-Fort Worth (<https://www.bisnow.com/author/olivia-lueckemeyer-538565>) (<mailto:olivia.lueckemeyer@bisnow.com>)

Dallas-Fort Worth's beleaguered hospitality industry finally saw some relief this year as corporate travel resumed and a flood of vacation-hungry shut-ins descended on hotels.

After several strong months of activity, researchers at CBRE (<https://www.bisnow.com/tags/cbre>) and Kalibri Labs (<https://www.bisnow.com/tags/kalibri-labs>) now predict that Dallas' revenue per available room — the data point used to measure hotel performance — will come in at an average of \$78.13 in 2022, several dollars higher than the previous forecast of \$71.75. Fort Worth's 2022 RevPAR has also been adjusted, from \$73.97 to \$74.22.

If these predictions are correct, DFW will have restored just over 99% of its pre-pandemic RevPAR, while Fort Worth will have blown past 2019 levels to 107.3%. That's good news — though how much those numbers can grow is in question.



“The market recovered quicker than we thought,” said Kevin M. Donahue, first vice president at CBRE and a member of the Hospitality and Gaming Group. “A lot has been driven by strong leisure demand in Fort Worth, and corporate and small group demand has returned a little bit quicker to Dallas.”

When it comes to market growth, the outlook is less favorable.

Lending challenges and sky-high construction costs are poised to hamstring the delivery of new hotels, despite reports by the Dallas Morning News and others that DFW has the healthiest pipeline in the nation (<https://www.dallasnews.com/business/real-estate/2022/10/27/d-fw-has-the-most-new-hotels-on-the-way-among-us-metros/>).

“Very limited supply is being built because no lender wants to loan money on hotels,” said Mehul Patel (<https://www.bisnow.com/tags/mehul-patel>), CEO and managing partner of Dallas-based investment firm NewcrestImage (<https://www.bisnow.com/tags/newcrestimage>). “It is more likely the new supply will come in 36 to 60 months. You won’t see anything for the next 24 months.”

Data from Lodging Econometrics (<https://www.bisnow.com/tags/lodging-econometrics>) that shows there were 174 hotels in the construction pipeline at the end of Q3 could be interpreted as supply that is coming soon.

But in reality, whether or not those hotels are delivered in a timely manner will come down to where they are in the development process, Donahue said.

“If they’re still pretty early on and they haven’t secured financing yet, they’re most likely going to be put on hold,” he said.

NewcrestImage has shelved all six of its DFW hotel projects due to construction costs. Patel intends to resume development in the second quarter of next year, though in this environment, he said even the best-laid plans can fail.

“We are in an environment of uncertainty, so you have to adapt to reality,” Patel said. “Your strategy is as good as two weeks. We live 30 days at a time; we don’t look further than 30 days.”

Despite the impact on supply, some investors see economic downturns as opportunities to acquire new hotels.

Many institutional owners are choosing to offload lower-valued properties, Patel said, giving companies like NewcrestImage, which believe values are poised to go up, a chance to capitalize on the market before interest rates increase again.

“Every time there is a slowdown, we go aggressive, that is our strategy,” Patel said. “This is the right time for us to shop, which is what we are doing every day.”

Nationwide hotel sales in the third quarter of this year comprised 119 single-asset transactions (<https://lwhospitalityadvisors.com/wp-content/uploads/2022/11/Q3-2022-Sales.pdf>) of more than \$10M totaling about \$3.7B. The average sales price was about \$212K per room, according to the LW Hospitality Advisors (<https://www.bisnow.com/tags/lw-hospitality-advisors>) Major U.S. Hotel Sales Survey.

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The number of transactions was up year-over-year, but the by-room price was down, as was the total dollar volume. This implies many of the acquired hotels were likely limited-service or select-service hotels, which are priced lower than full-service or luxury counterparts, Donahue said.

At the start of this year, NewcrestImage sold off all but two hotels in its 27-property portfolio. By the end of 2022, the firm will have acquired 91 hotels.

The economy is in a different place today than it was at the time of those acquisitions, but Patel said his belief that the industry is in recovery mode remains unchanged.

“The future is still very bright,” he said. “We wouldn’t have done anything different. We are still looking to buy a lot of assets in 2023.”

Industry leaders in the DFW market feel similarly optimistic headed into next year, said Carolyn Dent (<https://www.bisnow.com/tags/carolyn-dent>), Hotel Association of North Texas (<https://www.bisnow.com/tags/hotel-association-of-north-texas>) chair and managing director of Omni Dallas Hotel (<https://www.bisnow.com/tags/omni-dallas-hotel>).

Many companies have budgeted for business travel in 2023, and the number of requests for meeting space and rooms is back to 2019 levels. Cancellations, which Dent said were way up last year, have also normalized.

“Most of the colleagues I’ve been in touch with are reporting record numbers,” Dent said. “The end of this year was better than the hoteliers expected, and headed into 2023, we all feel really good.”

Still, the industry is not without its challenges. Labor shortages (<https://www.bisnow.com/tags/labor-shortages>) continue to drive up operational costs (<https://www.bisnow.com/dallas-ft-worth/news/hotel/workforce-shortages-hamstring-hotel-recovery-leisure-travel-booms-113426>), though Dent said DFW is in a better position to hire than other markets due to its high levels of in-migration. She estimates that 80%-90% of DFW hotels are fully staffed.

“Rates have increased, prices have increased, so margins may not be as good as they once were,” she said. “In general, we seem to have a good grasp on getting our positions filled.”

Looking ahead to next year, CBRE predicts RevPAR in both Dallas and Fort Worth will once again go up, even as economic headwinds discourage travel. Hoteliers learned to endure hardship during the pandemic, and she expects this downturn will be no different.

“We’ve come through this before,” Dent said. “You just pivot, and do the best you can with taking care of your employees and each and every customer that walks through the door.”

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See Also: Property Managers Could Carry Your Portfolio Through The Recession, But Do You Look After Them? (</london/news/commercial-real-estate/property-managers-could-carry-your-portfolio-through-the-recession-but-do-you-look-after-them-116383>)

Related Topics: CBRE (<https://www.bisnow.com/tags/cbre>), Lodging Econometrics (<https://www.bisnow.com/tags/lodging-econometrics>), Omni Hotels & Resorts (<https://www.bisnow.com/tags/omni-hotels-&-resorts>), NewCrestImage (<https://www.bisnow.com/tags/newcrestimage>), Mehul Patel (<https://www.bisnow.com/tags/mehul-patel>), Kalibri Labs (<https://www.bisnow.com/tags/kalibri-labs>), Hotel Association of North Texas (<https://www.bisnow.com/tags/hotel-association-of-north-texas>), Carolyn Dent (<https://www.bisnow.com/tags/carolyn-dent>)



# Hospitality Directions US

## Our updated lodging outlook

November 2022

### RevPAR to finish 2022 at record highs, but economic headwinds strengthen for 2023

Through Q3 2022, the US hotel industry has exceeded 2019 (pre pandemic) RevPAR levels by 6.4 percent, based on data from STR. The recovery narrative continues to be centered around room rates. While occupancy through Q3 2022 was 3.8 points below the same period in 2019, ADR had increased 12.8 percent.

Following over two years of travel constraints, the US government significantly eased restrictions earlier this summer. As of June 12, 2022 air passengers were no longer required to get tested for COVID-19 (no more than 24 hours in advance), show a negative test result, or show documentation of recovery from the virus, before boarding a flight to the United States, regardless of vaccination status or citizenship. In addition, as of October 3, 2022, the CDC no longer maintains a country-by-country list of travel advisories related to COVID-19.

The Fed's continued increases in their policy rate has caused uncertainty in the public markets, effecting lodging demand in Q4. We now expect annual occupancy for US hotels this year to increase slightly less than in our May 2022 outlook, increasing to 62.8 percent. Since July 2021, average daily room rates surpassed comparable 2019 levels in every month but one (January 2022 missed by \$0.35). Since March 2022, RevPAR has exceeded comparable 2019 levels. We now expect average daily room rates to increase 19.3 percent for the year, with resultant RevPAR up 30.3 percent - - approximately 108 percent of pre-pandemic levels, on a nominal dollar basis.

Since our May 2022 outlook, the Fed's monetary policy has resulted in significantly higher interest rates than previously expected over the period covered, resulting in an estimated steep slowing of construction starts for new hotels next year.

In 2023, we expect demand growth from individual business travelers and groups to continue to offset a softening in leisure demand, with outbound international leisure travel outpacing inbound, given the relative strength of the dollar. Growth in both occupancy and ADR results in an expected year-over-year increase in RevPAR of 5.8 percent - - approximately 115 percent of pre-pandemic levels.

Significant risks to this outlook include the pace and magnitude of changes in the macro economic environment, the potential emergence of more potent variants of the virus over the winter months, and the ongoing conflict in Ukraine.

Our revised outlook for 2023 anticipates

Demand recovery slows, as economic pressures affect most segments, resulting in **occupancy** of

**63.6%**

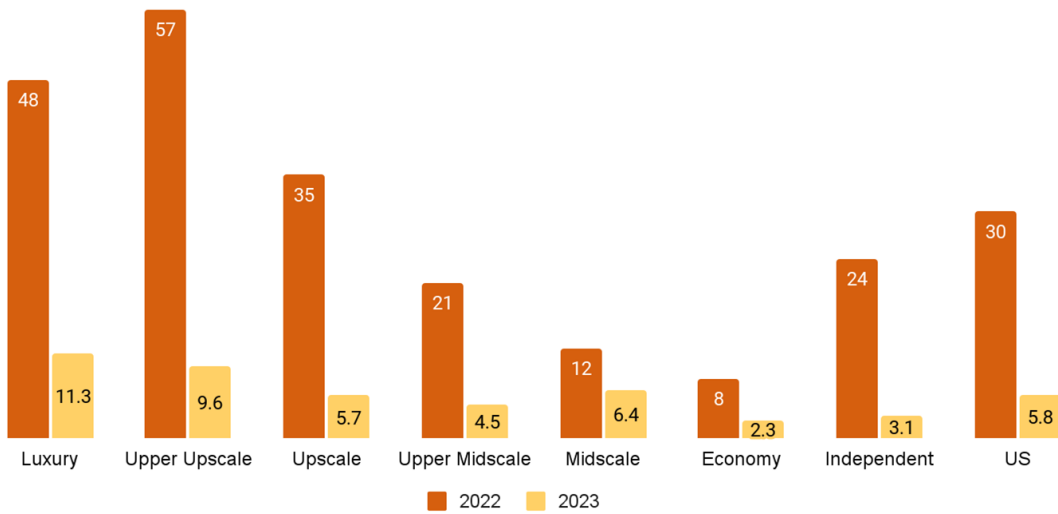
Growth in **average daily rate** moderates in line with demand pressure, and as the Fed begins to gain control over inflation - up

**4.5%**

As a result, **RevPAR** experiences moderating, but still above inflationary growth - up

**5.8%**

**Figure 1: RevPAR percent change, US and chain scales**

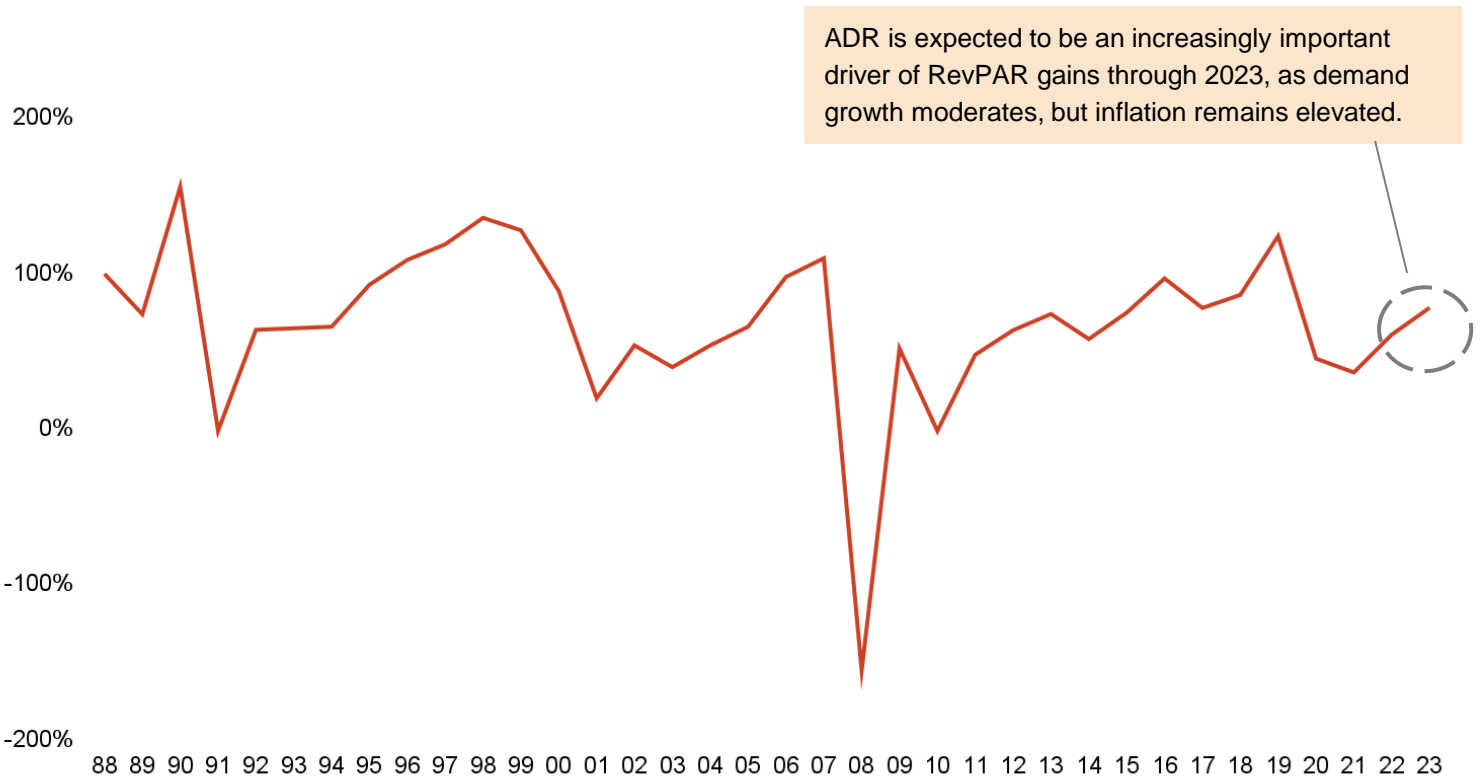


**Hospitality Directions Outlook Tables**

For detailed outlook tables covering the US and each of the chain scales, please access the [Hospitality Directions Outlook Tables](#) available online.

Source: PwC, based on data from STR

**Figure 2: ADR contribution to change in RevPAR**



Source: PwC, based on data from STR

# Tightening financial conditions expected to push US economy into mild recession

Tightening financial conditions, continually heightened inflation levels, and recent, as well as expected future policy rate increases are resulting in a worsening short-term outlook for the US economy, increasing the likelihood of a recession beginning late this year. IHS Markit has revised its monetary assumptions on the Fed raising its policy rate to between 4.75% and 5.00% by the end of Q1 2023, and not reversing direction until the spring of 2024. IHS Markit estimates that GDP increased at an annual rate of 2.6% in the third quarter, but is expected to decline 0.4%, 2.0% and 0.4% over the next three consecutive quarters.

October unemployment for the hotel sector increased to 6.9% (from 6.7% in September), compared to the US overall rate increasing to 3.7 (from 3.5% in September).

Source: IHS Markit (forecast released November 2022); Bureau of Labor Statistics (November 4, 2022); PwC

With GDP declining in 2023, IHS Markit expects the unemployment rate to increase from an average of 3.7% in 2022 to 4.9% in 2023, reaching 5.7% by late 2023. Consumer spending is expected to experience modest gains in 2022 and 2023, while fixed investment spend is expected to decline.

Inflation remains a concern. Since our last publication in May, the PCE price index forecast for 2022 increased from 5.6% to 6.3%, and the forecast for 2023 increased from 2.6% to 3.4%.

IHS Markit expects the eventual recovery to begin in H2 2023, but to be initially slow, not gaining strength until the Fed reverses course on interest rates in the spring of 2024.

## Table 1: US outlook (November 23, 2022)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Demand growth	2.1%	4.0%	2.4%	1.2%	2.5%	2.2%	1.6%	-36.2%	37.8%	11.4%	2.0%
Supply growth	0.8%	0.6%	0.9%	1.0%	1.9%	1.8%	1.8%	-4.2%	5.3%	2.1%	0.8%
Room starts, % change	26.6%	35.4%	14.7%	14.5%	-4.9%	5.6%	-6.1%	-54.3%	-4.1%	37.6%	-20.7%
Occupancy	62.2%	64.3%	65.3%	65.4%	65.8%	66.1%	65.9%	43.9%	57.5%	62.8%	63.6%
% change	1.3%	3.4%	1.5%	0.1%	0.7%	0.4%	-0.2%	-33.4%	31.0%	9.2%	1.3%
Average daily rate	\$109.66	\$114.82	\$120.07	\$123.75	\$126.56	\$129.74	\$131.14	\$103.44	\$124.99	\$149.17	\$155.81
% change	3.8%	4.7%	4.6%	3.1%	2.3%	2.5%	1.1%	-21.1%	20.8%	19.3%	4.5%
RevPAR	\$68.21	\$73.83	\$78.38	\$80.88	\$83.27	\$85.71	\$86.45	\$45.45	\$71.91	\$93.72	\$99.12
% change	5.2%	8.2%	6.2%	3.2%	2.9%	2.9%	0.9%	-47.4%	58.2%	30.3%	5.8%
GDP, % change Q4/Q4	2.5%	2.6%	1.9%	2.0%	2.8%	2.3%	2.6%	-1.5%	5.7%	0.0%	0.0%
Inflation, % change	1.4%	1.5%	0.2%	1.0%	1.8%	2.1%	1.5%	1.2%	3.9%	6.3%	3.4%

Source: STR; Bureau of Economic Analysis; IHS-Markit (forecast released November 2022); Dodge Data & Analytics; PwC

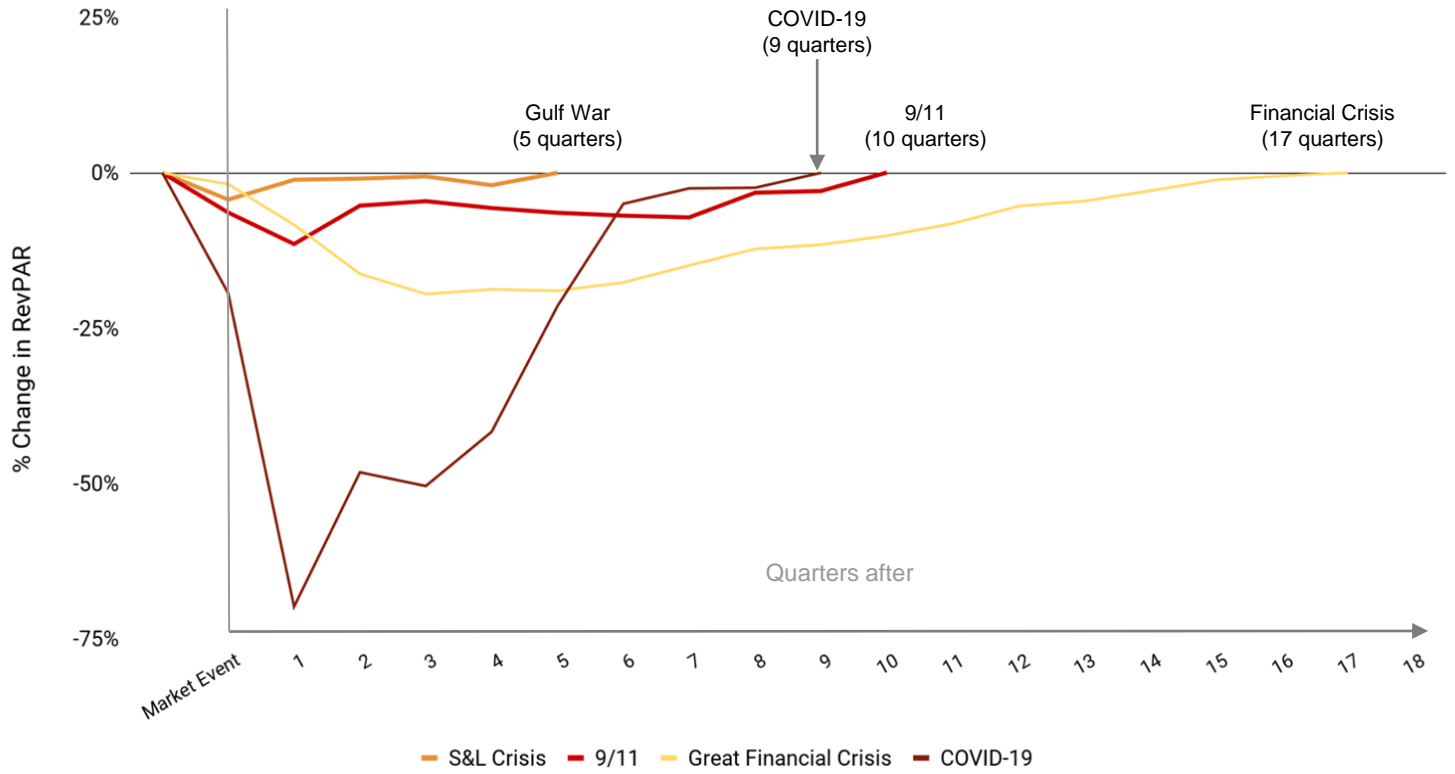
## Table 2: Chain scale outlook, percentage change from prior year

Chain scale	2022					2023				
	Demand	Supply	Occupancy	ADR	RevPAR	Demand	Supply	Occupancy	ADR	RevPAR
Luxury	41.1	5.7	33.4	10.9	48.0	6.3	0.3	6.0	5.1	11.3
Upper upscale	39.1	5.9	31.4	19.8	57.4	5.1	0.1	5.0	4.3	9.6
Upscale	17.3	3.8	13.0	19.7	35.3	4.8	2.8	1.9	3.7	5.7
Upper midscale	9.2	2.8	6.2	13.7	20.8	2.6	1.6	1.0	3.5	4.5
Midscale	1.2	(0.2)	1.4	10.6	12.1	1.6	0.1	1.5	4.8	6.4
Economy	(2.7)	(2.2)	(0.5)	8.6	8.0	(2.5)	(1.5)	(1.0)	3.3	2.3
Independent hotels	8.2	1.4	6.7	16.2	24.0	0.2	0.5	(0.3)	3.5	3.1
<b>US total</b>	<b>11.4</b>	<b>2.1</b>	<b>9.2</b>	<b>19.3</b>	<b>30.3</b>	<b>2.0</b>	<b>0.8</b>	<b>1.3</b>	<b>4.5</b>	<b>5.8</b>

Source: PwC, based on STR data



**Figure 3: Year-over-year RevPAR change after market event**



	S&L Crisis	9/11	Great Financial Crisis
<b>Market Event / Month</b>	S&L Crisis / Gulf War (Aug.1990)	Terrorist Attacks (Sep. 2001)	Lehman Bankruptcy (Sep. 2008)
<b>Economic Conditions</b>	<ul style="list-style-type: none"> <li>Decelerating GDP growth</li> <li>Recession</li> <li>Peaking savings and loan crisis</li> </ul>	<ul style="list-style-type: none"> <li>Bursting of dot-com bubble</li> <li>Decelerating GDP growth</li> <li>Recession</li> </ul>	<ul style="list-style-type: none"> <li>Decelerating GDP growth</li> <li>Recession</li> <li>Historically low CRE risk premium</li> <li>Ubiquity of CMBS</li> </ul>
<b>Prior Lodging Industry Conditions</b>	<ul style="list-style-type: none"> <li>Flat RevPAR prior to onset of the crisis</li> <li>“Non-economic” hotel development</li> <li>Significant lodging oversupply</li> </ul>	<ul style="list-style-type: none"> <li>RevPAR declines prior to the terrorist attacks</li> <li>Above-average quarterly supply growth</li> </ul>	<ul style="list-style-type: none"> <li>RevPAR declines prior to the onset of the financial crisis</li> <li>Frothy valuations</li> <li>Above-average quarterly supply growth</li> <li>Previously decelerating performance</li> </ul>
<b>Recovery &amp; Key Impact</b>	<ul style="list-style-type: none"> <li>Five quarters to recover to pre-market event RevPAR levels</li> <li>Emergence of REITs, fundamentally changing the lodging landscape</li> </ul>	<ul style="list-style-type: none"> <li>10 quarters to recover to pre-market event RevPAR levels</li> <li>Subsequent US intervention in Iraq significantly prolonged the recovery</li> </ul>	<ul style="list-style-type: none"> <li>17 quarters to recover to pre-market event RevPAR levels</li> <li>Lenders amended and extended loans instead of foreclosing</li> <li>Accelerated pace of sector consolidation</li> </ul>