

IDA Legislative Agenda 2025

Illinois Destinations Association Urges Renewed Investment in Tourism



IDA INITIATIVES:

SB 2053/HB 3100 – Retain more Hotel Tax for Tourism

Currently, 72% of the Hotel Tax ends up in the State's General Revenue Fund (GRF), where it is used for non-tourism purposes. The most concerning element of these diversions is the amount advanced to the Illinois Sports Facilities Authority (ISFA), because that diversion grows by a compounded 5.615% annually, which is more than the average HOOT tax growth. As a result, less money is being invested in tourism promotion each year.

This proposal would freeze the impact of the growing ISFA Advance at the FY 25 level and drive that additional resource into the tourism funds.

SB 1967/HB 2991 – Ensure the Tourism Bureaus receive grant funds in a timely manner

Currently, the state's convention and visitors bureaus (CVBs) are waiting up to 7 months into the fiscal year before receiving their local tourism grants, even though they're certified and their grant allocation is formula-driven. This results in countless lost opportunities to compete for events and administrative hardships.

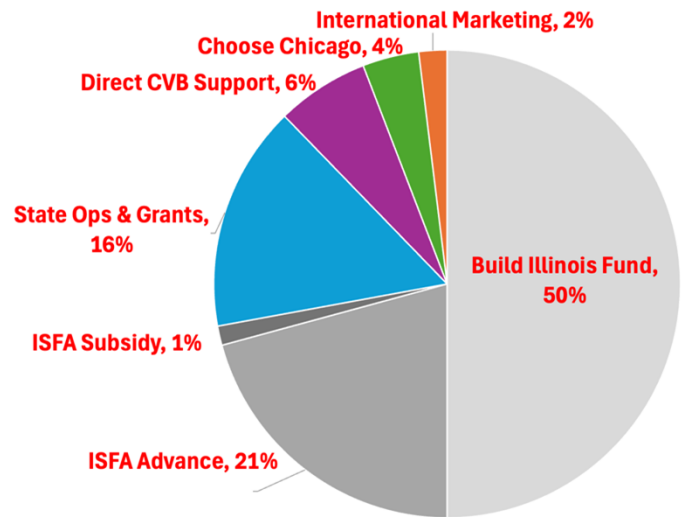
Under this proposal, CVBs would receive 50% of their prior year's grant within the first month of the fiscal year (July). The CVBs would still have to complete their applications, and all paperwork currently required before receiving their remaining allocations, which would reflect any increases or decreases based on the appropriation amount and approved costs.

HB 3520 – Investment in Illinois' Tourism Infrastructure

Today, 50% of the Hotel Tax revenues are deposited into the Build Illinois Fund. Many years ago, that revenue was used to pay debt service on bonds issued for the state's Build Illinois capital program. However, now that those bonds have been fully repaid, these revenues are simply transferred to GRF for general state purposes.

At the same time, the infrastructure at Illinois' state parks, a major tourism draw, is crumbling. According to the Department of Natural Resources (DNR), in 2021 there was over \$1 billion in deferred maintenance needs at the state's recreational lands. DNR manages nearly 400 separate sites with nearly 500,000 acres of recreational land, including state parks, historic sites, natural areas, and more.

This proposal would re-purpose these Hotel Tax revenues in the Build Illinois Fund for new capital investment in the state's tourism assets: \$1 billion for state parks and other lands, and \$500 million for renewed investment in civic centers.



OTHER SUPPORTED INITIATIVES:

SB 1749/HB 2663 – Tax Parity for Short-Term Rentals

This proposal would ensure that operators of short-term rentals (such as those on the Airbnb and VRBO platforms) are collecting and remitting Hotel Tax at the same rate as hotels and motels.

SB 2521/HB 2875 – Route 66 Centennial Funding

Provides \$5 million in state support for the Route 66 Centennial in 2026, including funding for marketing and infrastructure.

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A SOUND INVESTMENT FOR ILLINOIS'S FUTURE!

Illinois Tourism is a major economic driver. In 2023, 112.4 million visitors made \$47.2 billion in tourism expenditures, leading to a total economic impact of \$82.6 billion for Illinois businesses and generating \$6.6 billion in state and local tax revenue. In terms of marketing ROI, every \$1 spent on Illinois' marketing campaign yielded \$91 in visitor spending and \$10 in state and local tax revenue.



ABOUT IDA

The Illinois Destinations Association (IDA) represents destination marketing organizations throughout the entire state. IDA is composed of hundreds of industry professionals which are driving results for Illinois' visitor economy.

IDA works to market, promote and develop our communities and regions as destinations for visitors and investments.

IDA members are on the front lines of competing for trade shows, conventions, group tours, business, sporting events, and leisure travel, bringing huge economic benefits to our communities, not only in terms of increased tax revenues, but also in supporting our local businesses, growing jobs, and improving Illinoisans' quality of life.



Illinois Destinations Association
Cory M Jobe, Legislative Chair
217-622-9630
cjobe@riversandroutes.com



Governmental Consulting Solutions, Inc.
Jessica Basham, Lobbyist
217-502-3371
jessica.basham@gmail.com