

TOWN OF NARRAGANSETT

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JAMES R. TIERNEY
Town Manager
Commissioner of Public Safety

March 25, 2024

Chairman Marvin Abney House Finance Committee 82 Smith Street Providence, RI 02903

Dear Chairman Abney:

In 1995 the General Assembly passed legislation to aid the Rhode Island Convention Center by redirecting five percent (5%) of statewide hotel tax revenue to the Providence Warwick Convention and Visitors Bureau (PWCVB) to aid in alleviating the shortage of hotel rooms in Providence for large conventions. For 29 years, this tax has been collected statewide, including in South County, and directed to the PWCVB.

Since the passing of this legislation, Providence has substantially increased its hotel room capacity rendering the initial need obsolete. Meanwhile, South County has experienced its own growth, boasting accommodations like the Shore House located in Narragansett and the Ocean House and Weekapaug Inn located in Westerly. However, funds collected from these, and other venues continue to be redirected to the PWCVB. This practice of inequity has caused a tremendous strain on South County.

Additionally, the South County Tourism Council has expanded its off-season offerings with notable events. If these funds were properly directed, they would have the chance to enhance and further develop off-season programs and events. It is imperative to rectify this disparity to enable them to develop and promote our region effectively.

House bill 7688 and Senate bill 2343 would remove the requirement that five percent (5%) of the hotel tax generated from the South County tourism district to be paid to the Greater Providence-Warwick Convention and Visitors Bureau and would redistribute that five percent (5%) of the hotel tax to the South County Tourism district in which the hotel or residential unit is located taking effect upon passage.

Please accept this letter as the Town of Narragansett's support for the passage of House bill 7688 and Senate bill 2343.

Sincerely,

James R. Tierney Town Manager

Public Safety Commissioner

South County Tourism Council Co:

Narragansett Chamber of Commerce Representatives Tanzi & McEntee

Senator DiMario