

**Testimony of Mary Beth Sewald
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Prepared for the U.S. Senate Committee on Commerce, Science, and
Transportation's Subcommittee on Tourism, Trade, and Export
Promotion**

**Hearing on "Economic Impacts of the U.S. Sports and Entertainment
Economy, Las Vegas Edition"
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Good Morning,

My name is Mary Beth Sewald, President and CEO of the Vegas Chamber. Thank you, Committee Chairwoman Maria Cantwell and a special thank you to Subcommittee Chairwoman, Nevada's own, Senator Rosen for inviting me today before the subcommittee. I also want to thank Ranking Member Ted Budd of the Subcommittee.

The Vegas Chamber was founded in 1911 and is the largest business association in the state of Nevada, representing 70 different industry sectors. Vegas Chamber members employ approximately a half million Nevadans and 85% of Vegas Chamber members are small businesses, which we define as having 50 or fewer employees. The Small Business Administration estimates that Nevada has 283,000 small businesses, employing about 503,000 workers.

The mission of the Vegas Chamber is to promote a strong and diversified economy by helping attract new businesses, enabling existing businesses to expand, and supporting a good quality of life for Nevada's workers.

Before the COVID-19 Pandemic, Las Vegas welcomed 42 million visitors per year. In 2022, that number was about 38.8 million visitors.

Why do I say this? Because tourism means local jobs. Our tourism industry supports about 229,000 direct jobs and 359,000 total jobs. Last year, Nevada's tourism industry supported \$12.6 billion in direct wages for employees and had a total wage impact of \$20.1 billion. This economic activity supports small businesses in our community, who -in turn - employ thousands of Nevadans.

Our small businesses benefit economically from our large tourism sector, providing good-paying jobs and careers. Many of our members work to support women and minority-owned businesses by providing procurement opportunities and supplier-diversity programs.

One of the most impactful transformations in our tourism industry has been the development of the sports tourism sector of our economy. In

less than a decade we have seen the construction of the T-Mobile Arena, Allegiant Stadium, and Las Vegas Baseball Park, which has added to our existing inventory of sports and entertainment venues.

These venues and the teams and events that they host create important opportunities for local workers and small businesses.

Allegiant Stadium was the result of Senate Bill 1 of the 30th Special Session of the Nevada State Legislature. That legislation required that at least 15 percent of stadium project construction be awarded to local small businesses and that all phases of the project operate pursuant to a broad-based community benefits plan.

In fact, 23 percent of Allegiant Stadium's construction was awarded to local small businesses, with \$293 million in contracts awarded to 168 local small businesses. Further still, more than \$80 million was awarded to 41 women and minority-owned businesses. Perhaps equally important, the Raiders' community benefits plan called for 38% of the project's construction workforce to be minority and female – that number ended up being 63%.

In cooperation with the Las Vegas Super Bowl Host Committee, the NFL's "Biz Connect" program has already identified approximately 200

small, women and minority-owned businesses that are prequalified as contractors and subcontractors for the big game, and Formula 1's Las Vegas Grand Prix project has been a model of diversity, equity, and inclusion.

The database of small businesses qualified during the construction of Allegiant Stadium and the Super Bowl are the starting point for future projects, and Formula 1 has made a 10-year commitment and is investing hundreds of millions of dollars in our community.

In the next several months, new projects with open like Sphere, Formula 1's Las Vegas Grand Prix, and Super Bowl LVIII. These large-scale international events benefit our small business members that are in construction, food services, restaurants, security and public safety, IT, and marketing.

For example, Jonathan Alvarez is the founder of Protective Force International, which is a Las Vegas-based, private security company. Jonathan is hiring and training employees as fast as he can because of the increased demand for his company's services for events like Formula 1 and the 2024 Super Bowl.

Another example are Patricia and Justin Yin. They're the owners "Clean & Green Landscape" a small business here in Las Vegas. Their selection by the Super Bowl's "Biz Connect" program "Marked a significant turning point for our company". This opportunity has been profoundly impactful on both our business, and our personal journey."

Dr. Priscilla Johnson is another woman, minority-owned, small business in Las Vegas. She and her young son founded an eco-friendly cleaning product company, "Coco Shoals". She started at local farmer's markets and says the business landscape in Las Vegas has become the cornerstone of a transformative opportunity giving her the chance to work with these major sports brands that could "redefine their entire lives".

The fact is... without these sporting events, our small businesses, which are the fabricate of our community would not have the economic opportunities that they now have. That is why we must continuously invest in our future. I firmly believe that the core of that economic success is our small business owners and entrepreneurs.

I want to thank you for your leadership on this important issue and for the honor and opportunity to provide testimony today before this Subcommittee.