

Lawmaker: Delay in tourism contract exceeds legislative authority

By Sean Whaley, Nevada News Bureau

CARSON CITY – State lawmakers have put a new tourism contract to promote Nevada on hold despite the concerns of one lawmaker that the move exceeds legislative authority.

Concerns have been raised by Sen. Steven Horsford, D-Las Vegas, about the intent to award the two-year, \$3.2 million contract to an out-of-state firm.

Burson-Marsteller, one of the largest public relations firms in the country, was selected by a state agency to handle the promotion of Nevada for the next two years.

“We haven’t had a bad tourism plan in the past, so I have some real reservations,” Horsford said during last week’s interim Finance Committee meeting. “And to bring in a national firm, that I think is based out of New York, to come in here in our state and promote rural communities, that they don’t even know where they are, let alone what they do; I have some real questions and reservations about that.”

Horsford is running for the 4th Congressional seat, which includes a large swath of rural Nevada in addition to parts of Clark County.

Ultimately lawmakers decided to hold off on approving budgetary changes sought by Claudia Vecchio, director of the Department of Tourism and Cultural Affairs, that would allow the contract to go forward, citing several questions they wanted answered first.

That decision was opposed by Sen. Ben Kieckhefer, R-Reno, who

said lawmakers are exceeding their constitutional authority by intervening in an executive branch function.

“The fact of the matter is that some people didn’t like the contract so now they’re not going to appropriate the funding,” he said. “That’s going backward and that’s not our job.”

The Legislature appropriates revenue and authorizes expenditures, but it is up to the Executive Branch to implement those decisions, Kieckhefer said. The decision was an attempt to do a de facto denial of the contract and it overstepped legislative authority, he said.

“I totally understand the concern that we’re spending a significant amount of money on a big contract with an out-of-state vendor,” Kieckhefer said. “But the simple fact of the matter is that no Nevada company was in the top five in this (request for proposals).

“I wish we would spend money in Nevada and we do as much as we can,” he said. “But this bid process followed every law that we have in statute, followed every policy set by the Legislature in terms of bidder preference and things like that, and the simple fact of the matter is that this was the best company to do the job. And their job is to drive more traffic to Nevada to enhance our economy, to enhance our biggest industry, which is still hospitality and tourism and gaming.”

Delaying a contract that will help the state’s economy grow is ludicrous, Kieckhefer said.

Vecchio defended the contract and selection process at the meeting. Nineteen companies submitted proposals, but none of the four finalists was from Nevada, a fact which generated comment from at least one Nevada public relations firm.

Burson-Marsteller, which is actually based in Los Angeles, was the unanimous selection of an evaluation committee made up of

Nevada tourism professionals, Vecchio said. The company will be working with Red Rock Strategies out of Las Vegas, she said.

The contract has been drawn up and signed by both parties, but it remains contingent upon approval of state officials.

Vecchio said the firm will provide national and international contacts that will benefit the state.

“The value that you get back, and the value that comes back to a destination by working with the best in the business, is tenfold, twentyfold over what it is with somebody who just has that local perspective,” she said.

Burson-Marsteller has proposed an idea for a smart phone application that will provide a way for visitors to craft itineraries and access to services in both cellular telephone service and non-service areas, Vecchio said. Much of rural Nevada does not have cellular phone service, but the information will be downloaded to the phone and so will be available to visitors, she said.

“That’s a game changer for this state,” Vecchio said. “So it is the understanding of our visitor needs that is so important to our success.”

Vecchio, appointed in October 2011 by Gov. Brian Sandoval to the tourism job, has previously worked for Burson-Marsteller in Dallas as well as for the Edelman public relations firm in Chicago.

Horsford said he is certain that there are firms in Nevada with the regional and national experience that could perform the work although he said he did not know the identities of all 19 applicants.

“The Legislature set a policy that 5 percent preference should be given to Nevada-based businesses,” he said. “So this is a

policy that the Legislature and the governor believe was important, particularly at this time when so many business, and advertising and PR is no exception, need the work.”