

Visit Frederick SB 14 Letter of Support 1.17.24.pd

Uploaded by: Dave Ziedelis

Position: FAV



January 17, 2024

Chair Guzzone, Vice Chair Rosapepe, and Members of the
Senate Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, MD 21401

Re: SB14 – Economic Development – Tourism Zones – Designations and Benefits

Dear Chair Guzzone, Vice Chair Rosapepe, and Members of the Senate Budget and Taxation Committee:

On behalf of Visit Frederick (the Tourism Council of Frederick County), the designated and official destination marketing organization for Frederick County, MD, please accept this letter of support for SB14 – Economic Development – Tourism Zones – Designation and Benefits.

SB14 will provide the governing body of a municipality with a much-needed mechanism and catalyst to incentivize business development and economic growth. It will allow these municipalities to craft a Tourism Zone that is specific to their own community and their own beneficial desire to expand tourism businesses, including lodging, dining, retail, meeting and sports facilities, outdoor recreation areas, theme parks and various event venues.

Tourism Zones will create local incentives that can be offered to stimulate business attraction, encourage capital investment, drive economic growth, along with increased job creation and employment opportunities within those designated areas of a locality. These incentives can include, but is not limited: hiring credits, sales & use tax incentives, expense and interest deductions, discounted utilities hook-up and payment plans, sewer facility hookup payment plans, and reduced parking requirements.

We encourage everyone on the Senate Budget and Taxation Committee to support SB14. Thank you for your attention and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Ziedelis". The signature is fluid and cursive.

Dave Ziedelis
Executive Director

SB0014-BT_MACo_SUP.pdf

Uploaded by: Dominic Butchko

Position: FAV



Senate Bill 14

Economic Development - Tourism Zones - Designation and Benefits

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: January 18, 2024

From: Dom Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** SB 14. This bill is a legislative priority for our sister association, the Maryland Municipal League, and provides municipalities with the ability to designate tourism zones.

The Maryland Department of Commerce reported that in 2022, “More than 43.5 million people visited Maryland... and spent \$19.4 billion, topping pre-pandemic levels...” Tourism is a key driver of economic development for all local governments, whether they be urban, rural, counties, or municipalities. Programs that serve to further this growing industry not only benefit host communities, but also have positive spillover effects in neighboring jurisdictions. While counties may not be explicitly mentioned in the bill, it is undeniable that all local governments are intrinsically linked, and prosperity in one often plants the seeds for prosperity in others.

Additionally, as Maryland emerges from the COVID-19 pandemic and into a time of fiscal uncertainty, it is paramount that state leaders work to support local economies and local revenues. The economic health of the communities we call home remains the foundation for responsive state and local governments that can meet the needs of all Marylanders.

Counties fully support the aspirations of SB 14 to help propel local economies and communities. Accordingly, MACo requests a **FAVORABLE** report on SB 14.

SB 14 - FAV-MML.pdf

Uploaded by: Justin Fiore

Position: FAV



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

January 18, 2024

Committee: Senate Budget and Taxation

Bill: SB 14 – Economic Development – Tourism Zones – Designations and Benefits

Position: Support

Reason for Position:

The Maryland Municipal League supports Senate Bill 14, which enables local jurisdictions to self-designate as Municipal Tourism Zones and provide local incentives to qualifying businesses.

Modeled off a successful program in Virginia, this 2024 MML legislative priority bill would also authorize local governments to provide an array of local tax credits or waivers to businesses that support expanding tourism. This program would not only bolster the ability of jurisdictions to attract and retain community-oriented businesses, especially for those that lack access to other incentive programs it is likely to result in positive returns to the State's general revenue fund and attract new visitors and expenditures in Maryland.

The key difference between this proposal and other programs such as the Arts & Entertainment districts or Main Streets is local flexibility, both to designate the zone and to set qualifications and local incentives. This bill gives all municipalities a tool to share their individual unique story.

For these reasons the League respectfully requests that this committee provide Senate Bill 14 with a favorable report.

FOR MORE INFORMATION CONTACT:

Theresa Kuhns
Angelica Bailey Thupari, Esq.
Bill Jorch
Justin Fiore

Chief Executive Officer
Director, Advocacy & Public Affairs
Director, Public Policy
Deputy Director, Advocacy & Public Affairs

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | www.mdmunicipal.org

SB 14_Commerce_Tourism Zones_Support.pdf

Uploaded by: Kevin Anderson

Position: FAV



Wes Moore | Governor
Aruna Miller | Lt. Governor
Kevin A. Anderson | Secretary of Commerce
Signe Pringle | Deputy Secretary of Commerce

DATE: January 18, 2024
BILL NO: Senate Bill 14
BILL TITLE: Economic Development - Tourism Zones - Designation and Benefits
COMMITTEE: Budget & Taxation
POSITION: Support

The Maryland Department of Commerce (Commerce) supports Senate Bill 14 - Economic Development - Tourism Zones - Designation and Benefits.

Bill Summary:

Senate Bill 14 grants the City of Baltimore or any municipality the authority to designate a Tourism Zone within the jurisdiction. The bill also allows the governing body of the jurisdiction in which a Tourism Zone is designated to exempt qualifying tourism enterprises from the Admissions and Amusement tax or certain local and municipal property taxes.

Background:

This legislation is modeled after Virginia’s successful program which allows any city, county, or town to establish one or more tourism zones through local ordinance. Virginia’s program was established through state legislation in 2006 and there are currently 75 zones in which local incentives may be offered to tourism businesses.

Rationale:

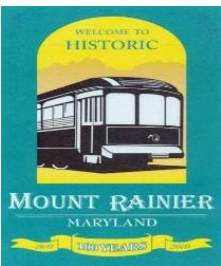
Tourism is one of the State’s top economic drivers, and for that reason Commerce, through the Maryland Office of Tourism, is focused on continuing to promote our great state as a travel destination to visitors both domestically and abroad. In calendar year 2022 Maryland was fortunate to welcome over 43 million visitors to the State, and their spending was over \$19 billion. This generated more than \$2.3 billion in state and local tax revenue, and supported more than 187,000 jobs. Investing in tourism brings a high return to our State, counties, and municipalities – visitors spend their money here and do not utilize many tax revenue supported services such as our school systems. The creation of Tourism Zones as allowed through Senate Bill 14 is another way to market the State’s top destinations, and the bill does so in a way that allows the municipalities themselves to determine the extent to which they are willing to forego revenue – setting their own priorities for areas to promote. Commerce is fully supportive of any initiatives aimed to increase tourism across our State, and Senate Bill 14 will add another useful tool to assist those efforts.

Commerce respectfully requests a favorable report on Senate Bill 14.

Support SB 14 – Economic Development – Tourism Zon

Uploaded by: Mayor Celina Benitez

Position: FAV



Office of The Mayor Celina R. Benitez

1 Municipal Place, Mount Rainier, Maryland 20712 Telephone: (301) 985-6585 MountRainierMD.org

January 18, 2024

Committee: Senate Budget and Taxation Committee

Bill: SB 14 – Economic Development – Tourism Zones – Designation and Benefits

Position: Support

Reason for Position:

The City of Mount Rainier wholeheartedly supports Senate Bill 14. We firmly believe that this legislation, once enacted, will not only foster economic growth and job creation in our city and the state of Maryland but will also serve as a catalyst for enhancing our unique communities.

The provision in Senate Bill 14 that authorizes municipalities to establish tourism zones aligns perfectly with Mount Rainier's vision. Nestled in our city are several cultural and historical treasures, making it an ideal destination for tourists seeking enriching experiences. Our support for this legislation is grounded in the belief that the structured approach it provides will be a boon for the economic and cultural landscape of Mount Rainier and cities and towns across Maryland.

The authorization to establish tourism zones opens up avenues for strategic planning and development. The City of Mount Rainier, along with cities in Route 1, Port Towns, and Prince George's County, boasts historical significance, with landmarks like Potts Hall Welcome Center and Bladensburg Port, to name a few. These attractions, when designated within a tourism zone, can draw visitors, subsequently boosting economic activity for local businesses.

The proposed local incentives, including Real Property Tax Credits, Personal Property Tax Credits, and Exemption from Admissions & Amusement Tax, offer tangible support for local businesses and the community. As a result, small enterprises in Mount Rainier can thrive, leading to increased employment opportunities and overall community prosperity.

We all can agree that Maryland is a beautiful state, from the mountains and beaches to historical sites found in the smallest villages and the largest cities. SB14 would give us the opportunity to showcase Maryland even more as a destination, increasing the quality of life for our residents by creating growth in the economy—a win for all.

For these reasons, the City of Mount Rainier respectfully requests that this committee provide Senate Bill 14 with a favorable report. We believe in the positive impact this legislation can have on our local economy, job market, and overall community well-being, positively impacting Maryland. Your support for Senate Bill 14 is crucial in advancing the economic development goals of municipalities across the state.

Please feel free to contact me at 301-985-6585 or via email MayorBenitez@MountRainierMD.org

Sincerely,

Celina R. Benitez

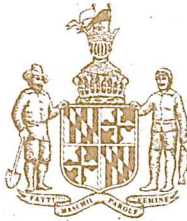
Mayor Celina Benitez, City of Mount Rainier

JacksonSB14Testimony2024.pdf

Uploaded by: Michael Jackson

Position: FAV

MICHAEL A. JACKSON
Legislative District 27
Calvert, Charles and
Prince George's Counties



Annapolis Office
Miller Senate Office Building
11 Bladen Street, Suite 3 West
Annapolis, Maryland 21401
410-841-3700 • 301-858-3700
800-492-7122 Ext. 3700
Michael.Jackson@senate.state.md.us

Budget and Taxation Committee

Subcommittees

Chair, Pensions

Public Safety, Transportation, and
Environment

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

District Office
250 Merrimac Court
Prince Frederick, Maryland 20678

TESTIMONY - SENATE BILL 14

***ECONOMIC DEVELOPMENT – TOURISM ZONES –
DESIGNATION AND BENEFITS***

BUDGET AND TAXATION COMMITTEE

JANUARY 18, 2024

Chair Guzzone, Vice Chair Rosapepe, and Fellow Committee Members:

Senate Bill 14 is a straightforward bill geared to provide added development tools for our local municipalities.

The bill would simply authorize municipalities to establish tourism zones, define tourism enterprises and enact tax incentives to promote responsible tourism-related development in their communities.

This is a straightforward piece of legislation designed to implement this concept and to provide a means toward the growth and prosperity of our State tourism industry.

For the reasons listed above, **I ask the committee for a favorable report of Senate Bill 14.**

Senate Bill 14 - MDMO - Support .docx.pdf

Uploaded by: Michael Mason

Position: FAV



January 18, 2024

The Honorable Guy Guzzone, Chair
Senate Budget and Taxation Committee

Re: Senate Bill 14 – Tourism Zones – Designation and Benefits

Position: *Support*

Chair Guzzone and Committee Members:

On behalf of the Maryland Association of Destination Marketing Organizations (MDMO), I am writing to express our support for Senate Bill 14 – Tourism Zones – Designation and Benefits. Senate Bill 14 would provide important economic development incentives for tourism across Maryland’s municipalities.

Tourism is an economic ecosystem, delivering opportunity and quality of life for Marylanders that is derived from visitor spending. The travel sector is an integral part of Maryland’s economy and contributes over **\$2 billion** in state and local tax revenues a year. Remaining competitive in our regional market is essential to attracting new and repeat visitors to the State.

By allowing Maryland’s jurisdictions to designate tourism zones and provide tax incentives for businesses in those zones, this bill encourages investment in tourism infrastructure. The tax incentives in Senate Bill 14 will make it more financially feasible for businesses to operate tourism venues. This will spur the growth of new hotels, restaurants, entertainment facilities, and other tourism-related establishments. More tourism development translates into more tourists visiting and spending money, which creates a positive ripple effect throughout local economies. For all these reasons, we respectfully request a favorable report and thank you for your dedicated support to the tourism industry.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Cassandra M. Vanhooser". The signature is written in a cursive style and is enclosed within a large, hand-drawn blue circle.

Cassandra Vanhooser, Chair
Maryland Association of Destination Marketing Organizations

(City of Cumberland) SB14-Toursim Zones (SUPPORT)(

Uploaded by: Raymond Morriss

Position: FAV



CITY OF CUMBERLAND MARYLAND

January 18, 2024

Committee: Senate Budget and Taxation Committee

Bill: SB 14 – Economic Development – Tourism Zones – Designation and Benefits

Position: Support

Reason for Position:

On behalf of the Mayor and City Council of Cumberland, I am eager to express our support for Senate Bill 14, as the ability to establish tourism zones, define tourism enterprises and offer incentives to qualified businesses would enhance the appeal of our rural setting and our close proximity to an abundance of outdoor amenities.

Situated at the crossroads of the Potomac River, CSX Railroad, I-68, Great Allegheny Passage and the C&O Canal Towpath, the City of Cumberland has every ingredient needed to leverage its resources for a thriving economy and a high quality of life. Established in 1787, and once the second largest city in the State of Maryland, Cumberland's greatest assets are its natural and historic resources which serve as a strong foundation to build upon as we position ourselves as a premier tourist destination in the Western region of the state.

Opportunities created through the tourism bill would enhance the capability of the City of Cumberland to create the future we envision, a revitalized place of pride and identity for residents, and one of the must-see destination spaces for visitors.

Tourism in the Western region of the state would add powerful impact to the city's economy, as well as the State of Maryland and would bring new energy, ensuring that the City of Cumberland is an attractive destination to live, work and play.

For these reasons the Mayor and City of Cumberland respectfully request that this committee provide Senate Bill 14 with a favorable report.

Respectfully,

Raymond M. Morriss
Mayor

MAYOR

RAYMOND M. MORRISS

COUNCIL

RICHARD J. CIONI, JR.
EUGENE T. FRAZIER
JAMES L. FURSTENBERG, III
LAURIE P. MARCHINI

CITY ADMINISTRATOR

JEFFREY F. SILKA, ICMA-CM

CITY SOLICITOR

MICHAEL SCOTT COHEN

CITY CLERK

ALLISON LAYTON



MEMBER MARYLAND
MUNICIPAL LEAGUE (MML)

57 N. LIBERTY STREET, CUMBERLAND, MD 21502 www.cumberlandmd.gov
VOICE (301)722-2000 • FAX (301)759-6438 • TDD (800)735-2258

(City of Frostburg)-SB14 Testimony (SUPPORT)(2024)

Uploaded by: Robert Flanigan

Position: FAV



W. Robert Flanigan
Mayor

Commissioners

Donald L. Carter, Jr.
*Commissioner of
Finance*

Kevin G. Grove
*Commissioner of
Public Safety*

Nina Forsythe
*Commissioner of
Water, Parks and
Recreation*

Adam Ritchey
*Commissioner of
Public Works*

Elizabeth Stahlman
City Administrator

City of Frostburg

January 18, 2024

Committee: Senate Budget and Taxation Committee

Bill: SB 14 – Economic Development – Tourism Zones – Designation and Benefits

Position: Support

Reason for Position:

The City of Frostburg supports Senate Bill 14 as the Tourism Zone designation will provide additional tools to further bolster tourism within the City. Frostburg is the western terminus of the Western Maryland Scenic Railroad, is a TrailTown along the Great Allegheny Passage, and hosts various special community events during the year, including Derby Day, Cruise-In Main Street, Arts Walks, and Storybook Holiday. Collectively these attractions and events bring tens of thousands of visitors each year.

Senate Bill 14 will provide the City the autonomy to craft a Tourism Zone and incentives that encourage business expansion and new businesses in the central business district, that is beneficial to the community without being a detriment to City government revenues.

The City has a thriving downtown, and maintains many designations that support Frostburg as a tourism destination, including: FrostburgFirst, A Maryland MainStreet Community, A&E District, Sustainable Community, Enterprise Zone, etc. Despite the success of Frostburg's business district, there are always opportunities to further improve its success, including assistance rehabbing large historic structures and expanding offerings/hours for those visiting and living in the community.

The ability provide tax incentives in Frostburg specific to tourism enterprises, will complement the efforts of Allegany County Tourism and Frostburg First and drive investment in the community. This will allow the City to continue to grow as a tourism destination, which we recognize as one part of our community's ability to be a place people want to be for generations to come. One of my habits is to take a look at license plates in town – over the past few years, I have seen the number and frequency of out

of state plates grow in number. Further supporting tourism in Maryland will only increase the impact of tourism in Frostburg.

For these reasons, the City of Frostburg respectfully requests that this committee provide Senate Bill 14 with a favorable report.

Sincerely,



W. Robert Flanigan, Mayor
City of Frostburg
bflanigan@frostburgcity.org
301-268-2203 (cell)

(Allegany Museum) SB 14 Testimony (SUPPORT)(2024).

Uploaded by: Victor Rezendes

Position: FAV

ALLEGANY MUSEUM

AT THE CROSSROADS OF AMERICAN HISTORY

Senate Budget and Taxation Committee
Miller Senate Office Building, 3 West Wing
11 Bladen St.
Annapolis, MD 21401 – 1991

Subject: Economic Development – Tourism Zones

Dear Senators:

The Allegany Museum strongly supports SB 14 which provides for property tax credits against the county or municipal property tax imposed on certain real property and certain personal property located within a tourism zone.

Allegany Museum is helping promote Maryland as a destination for heritage tourism. Currently, over 60 percent of our visitors are from out of State. Tourism gives the area an essential economic boost and creates pride in the region's history. One of every ten jobs in Allegany County is now related to our tourist industry. Allegany Museum is also integral to the Cumberland Arts and Entertainment District. We currently are the second poorest county in the state so many of our local visitors are below the poverty level. Over 65% of the children in our county's school are eligible for USDA free school lunch reimbursement. A couple of the schools we host are at the 100% level. We believe heritage tourism can play a vital role in revitalization of our community.

Each year the Museum barely covers operating expenses. We are a volunteer non-profit organization. The proposed legislation would give the Museum some much needed financial support. We appreciate your continued support in empowering local tourism organizations in their quest to make Maryland a top tourist destination.

Sincerely,



Christopher Logsdon
President

**3 Pershing Street
Cumberland, Maryland 21502
301.777.7200
Web: AlleganyMuseum.org
Email: Info@AlleganyMuseum.org**

(Western MD Heritage Association) SB 14 Testimony

Uploaded by: Victor Rezendes

Position: FAV

Western Maryland Heritage Association
218 Washington Street
Cumberland, Maryland 21502

Senate Budget and Taxation Committee
Miller Senate Office Building, 3 West Wing
11 Bladen St.
Annapolis, MD 21401 – 1991

Subject: Economic Development – Tourism Zones

Dear Senators:

The Western Maryland Heritage Association strongly supports SB 14 which provides for property tax credits against the county or municipal property tax imposed on certain real property and certain personal property located within a tourism zone.

Our organization consists of 17 Heritage and Tourism Attractions in Allegany County. Each of our organizations makes vital contributions to enhancing tourism in our region. A listing of our members is attached. Last year, tourism in Allegany County grew by 11 percent surpassing pre-pandemic levels and generating \$194 million in visitor spending in Allegany County. The Western Maryland Heritage Association members played a significant role in that success.

Most of our members are non-profit volunteer organizations that struggle every year to cover operating expenses. The proposed bill would provide much-needed financial support which would allow us to expend our limited resources on enhancing our services to the public.

We appreciate your continued support in empowering local tourism organizations in their quest to make Maryland a top tourist destination.

Sincerely,



Victor Rezendes
Co-Chairman



R. David Williams
Co-Chairman

Western Maryland Heritage Association
218 Washington Street
Cumberland, Maryland 21502

Association Members:

Allegany Arts Council

Allegany County Library

Allegany County Historical Society

Allegany County Tourism

Passages of the Western Potomac Heritage Area

C. William Gilchrist Museum of the Arts

C&O Canal Museum

City of Cumberland

Cresap Museum

Cumberland Woman's Civil Club

Emmanuel Episcopal Church

Evergreen Heritage Museum

Fort Ashby Museum

Frostburg Museum

Jane Gates House

Western Maryland Chapter National Railway Historical Society

Western Maryland Scenic Railroad

(WMSR) SB14 Letter (SUPPORT) (2024).pdf

Uploaded by: Wesley Heinz

Position: FAV



Senator Guy Guzzone, Chair
 Senate Budget & Taxation Committee
 3 West Senate Miller Office Building
 Annapolis, Maryland 21401

Re: Senate Bill 14 – Economic Development – Tourism Zones – Designation and Benefits – SUPPORT

January 17, 2024

Dear Chairman Guzzone and Committee Members:

On behalf of myself and the board members for the Western Maryland Scenic Railroad, located in Cumberland, Maryland, we would like to take this opportunity offer our support to **Senate Bill 14, entitled: “Economic Development – Tourism Zones – Designation and Benefits.”**

WMSR is a scenic railroad initially created to serve as a tourist destination to draw visitors to Allegany County and the surrounding cities of Cumberland and Frostburg. The organization has been in operation for thirty-five years and has emerged as a significant economic driver for the entire region. Lead by the historic steam locomotive No. 1309, this train serves as an economic engine to attract visitors and regional citizenry to Western Maryland.

Within the last, three years, the Railroad has experienced record-breaking revenues, increased ridership, and cultivated new local relations and partnerships. In the COVID- recovery years, the railroad experienced unprecedented ridership growth due to our focus on branding, community, philanthropy, and sharing our historic experience with families from across the globe. totaling over 47,000 in 2021 and completed 2023 with almost 75,000 visitors in Allegany County this year.

The successful growth of the Railroad extends beyond Canal Place. The City of Cumberland has witnessed, firsthand, surrounding restaurants and other local businesses directly benefitting from the Railroad’s tireless efforts in making this organization one of the centerpieces in downtown Cumberland. According to the *VisitMaryland.org*, the Railroad’s provides approximately \$17 million in economic impact to the State of Maryland, annually. Last week, the Railroad received an award for Favorite Tourism Attraction in 2023 by Allegany Magazine.

While these milestones have been encouraging, the viability of the Railroad still needs the support and financial assistance from the State of Maryland on an ongoing, annual basis. Concurrent rising operational and capital expenditures are constant and can cripple the organization’s success and growth at any moment.

WESTERN MARYLAND SCENIC RAILROAD
 13 CANAL STREET, 2nd FLOOR CUMBERLAND, MARYLAND 21502
 301-759-4400 www.wmsr.com

The creation of a potential tourism zone in downtown Cumberland through the enactment of Senate Bill 14, would offer tremendous financial relief to the Railroad. Moreover, the money saved through these tax exemptions will provide our organization with a means to offset our operational expenditures and continue to reinvest it back into our staff and equipment.

Most importantly, the passage of SB14 will assist the Railroad to remain a valuable economic driver to the area while providing cultural and historic destinations for both visitors and local Marylanders to enjoy. It is for these reasons that we respectfully urge this committee to give Senate Bill 14 a **FAVORABLE** vote.

Should you have any questions or require additional background about this non-profit, please don't hesitate to contact me at any time.

Sincerely,



Wes Heinz
Executive Director
Western MD Scenic Railroad