



Wes Moore | Governor
Aruna Miller | Lt. Governor
Harry Coker, Jr. | Acting Secretary of Commerce

DATE: February 20, 2025
BILL NO: House Bill 1016
BILL TITLE: Economic Development - Baltimore Convention and Tourism
Redevelopment and Operating Authority - Established
COMMITTEE: House Ways and Means
POSITION: Support

The Maryland Department of Commerce (Commerce) supports House Bill 1016 - Economic Development - Baltimore Convention and Tourism Redevelopment and Operating Authority - Established

Bill Summary:

House Bill 1016 establishes the Baltimore Convention and Tourism Redevelopment and Operating Authority (Authority) as a body politic and corporate and an instrumentality of the State. The role of the Authority is to govern the renovation, revitalization, and ongoing maintenance and operations of the Baltimore Convention Center site and the marketing of Baltimore City as a tourist destination.

Background:

Chapter 635, Acts of 2023 established the Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force (Task Force) to study and make recommendations regarding an entity or strategy to govern the renovation, revitalization, financing, and ongoing maintenance and management of the Baltimore Convention Center site and certain surrounding areas. The Chair of the Baltimore Convention and Tourism Board served as Chair of the Task Force and Commerce provided staffing support. The Task Force held several meetings in the second half of 2024 and submitted its final report in January 2025 with the following recommendations:

- **Governance:** Establishment of a Joint Authority to govern Convention Center and Tourism Board operations, effectively merging Visit Baltimore and the Baltimore Convention Center under a new governance model;
- **Ownership and Improvements Financing:** State and City partnership on Convention Center improvements such that the Mayor and City Council of Baltimore City retain ownership of the Baltimore City Convention Center, and, in exchange for primarily or exclusively State-bonded improvements, the State of Maryland would receive a lienholder interest while the debt is outstanding;
- **Operational Sustainability:** The Mayor and City Council of Baltimore City establish a direct revenue stream to the Authority that allows the Authority to meet its annual operating and capital needs.

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 2023, visitors to Maryland spent over \$20.5 billion, generating more than \$2.4 billion in state and local tax revenue. Investing in tourism brings a high return to our State, counties, and municipalities.

The Baltimore Convention Center and the area surrounding it should be one of the drivers of tourism activity and spending in Baltimore and the State as a whole, but redevelopment and revitalization are necessary for Baltimore to be successful in attracting major conferences to the city. The Task Force evaluated successful models from other states and cities and made well-informed and researched recommendations to replicate these successes in the Baltimore region. House Bill 1016 would implement the governance recommendation of the Task Force – a critical step in redeveloping the Baltimore Convention Center and its surrounding areas. This model was recommended by the Task Force because effectively merging Visit Baltimore and the Baltimore Convention Center ensures long term sustainability, a unified vision, and shared resources to better accomplish the shared goals of the two entities.

Commerce respectfully requests a favorable report on House Bill 1016.