



BRANDON M. SCOTT
MAYOR

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HB997

February 24, 2025

TO: Members of the House Ways and Means Committee
FROM: Nina Themelis, Director of Mayor's Office of Government Relations
RE: HB 997 - Admissions and Amusement Tax - Food and Beverages
POSITION: FAVORABLE

Chairman Atterbeary, Vice Chair Wilkins and Members of the Committee, please be advised that the Baltimore City Administration supports House Bill (HB) 997.

HB 997 would enable jurisdictions and municipalities to generate revenue through an Admissions and Amusement tax on on-site consumption of food and beverages.

The City of Baltimore is experiencing a renaissance. During the last four years, we have renovated and opened CFG Arena in downtown Baltimore, have unveiled a \$3 billion plan to tackle the vacant housing crisis across the city, and are making meaningful investments in our recreation centers, parks, other public infrastructure, as well as investing millions of additional dollars in our residents' quality of life. While we are making historic investments across the City, we are also facing the fiscal reality of a sizeable deficit for fiscal year 2026 in excess of \$100 million. Many municipalities and jurisdictions across the state are similarly facing budget shortfalls and are scrambling to find ways to close the gap while also not creating an additional burden for residents. Coupled with the over \$3 billion deficit, we know that we need to find ways to generate revenue within our jurisdiction in ways that are mindful and best suited for our needs.

HB 997 would help Baltimore City by allowing us to implement a local Admissions and Amusement tax that is right for us. While the City presently has not developed plans to impose the tax that would be authorized by this legislation, we have several large-scale projects that are in need of replacement for which funding has not been identified, including the Hanover Street Bridge replacement and the Baltimore Convention Center. Our capital funds do not currently meet the ongoing cost of routine maintenance of existing infrastructure.

Baltimore City is a tourist destination not only within Maryland but for visitors across the country. Each year we see over 20 million visitors who come to see our Inner Harbor, watch our Orioles and Ravens play, and visit the many cultural institutions across the City. With the implementation of HB 997, Baltimore City would be able to further capitalize on these visitors in order to ensure we are able to maintain our roadways, waterways, and publicly owned assets so that we can continue to welcome millions of visitors for years to come.

Authorizing local jurisdictions and municipalities to generate revenue to help close budget shortfalls is one way that we can collectively work together to ensure that the fiscal health of the entire state remains intact.

For these reasons, the BCA respectfully requests a favorable report on HB 997.

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