



**LETTER OF OPPOSITION ON BEHALF OF
MARYLAND TOURISM COALITION**

IN OPPOSITION OF HB0581 – EMPLOYMENT STANDARDS DURING AN EMERGENCY

Before the Economic Matters Committee, February 5, 2021

Dear Chairman & Committee Members,

My name is Ruth Toomey, Executive Director of Maryland Tourism Coalition, a 50-year-old organization that represents the various services, attractions, organizations and accommodations that make up the State's Industry. MTC is the voice of our state's diverse tour and travel community, bringing together the entire industry to enhance business growth and to promote Maryland as a first-class destination for visitors. On behalf of our 1,000+ members, I would like to express our opposition of HB0581.

Tourism is vital to Maryland's economy! In a typical year, tourism supports 226,000 direct and indirect jobs, making it the 11th largest industry in the state. Visitors to Maryland spend nearly \$18.6 billion in Maryland each year and those same visitors generate close to \$2.6 billion in state and local taxes. Without tourism in the state of Maryland, each household would pay \$1,175 more in local taxes.

But as we all know, this past year has been anything but typical. Our industry was among the hardest hit due to the pandemic. Many of our members have been forced to close and some are even now unable to reopen. 95% of all tourism businesses are small businesses and many are hanging on by a thread. The Maryland Essential Workers' Protection Act, while coming from a good place, would be devastating to small businesses. The act includes a \$3 per hour increase for any hourly employee deemed "essential" that would have to be back paid since March 2020 and moving forward until the pandemic is no longer a state of emergency. For a small business of 10 hourly employees this back pay can amount in up to \$100,000 just in the back pay alone. These numbers are simply not achievable if a business is to stay open. On top of the hourly increase, the act also requires every business to come up with emergency plans that must be published or face a fine – there is simply not enough hours in a day for small business owners to design intricate plans when they are just trying to stay afloat. We respect and support our essential workers in the tourism industry and ask that any legislation that supplies aid does not unwittingly cause the demise of small businesses.

On behalf of the Maryland Tourism Coalition, we respectfully request that you oppose HB0581.

Sincerely,

Ruth Toomey

Ruth Toomey
MTC Executive Director