



THE SENATE OF MARYLAND
Annapolis, Maryland 21401

Testimony of Senator Jill P. Carter
In Favor of SB0896 - Baltimore Convention and Tourism
Redevelopment and Operating Authority Task Force
Before the Finance Committee
On March 1st 2024

Madame Chair, Vice Chair, and Members of the Committee:

Senate Bill 0896 would establish a task force for the purpose of studying and making recommendations concerning the Baltimore City Convention (BCC) site and its surrounding areas before reporting their findings to the Baltimore City Mayor's office before December.

The BCC as it stands is currently 45 years old, with only one significant renovation that happened in 1996. Currently as it stands, 14 destinations are either renovating or building new convention centers to draw in tourism dollars to their own cities and away from Baltimore. SB0896 is a vital step towards solidifying the historically very strong return-on-investment for the Baltimore convention industry. Over the last ten years, the State of Maryland has seen an average ROI of 4.3:1 in its support of BCC operations, which annually supports 4,900 jobs and over \$30 million in state tax.

Among its competitors, the BCC is by far the oldest and smallest among its competition and has over \$100 million in deferred maintenance items due to the lack of adequate funding sources. The

BCC is a “general fund” city agency which receives no supplemental tax revenue. It runs at an annual deficit that has grown significantly over the last several years in support of its greater regional impact, and that deficit, by state legislation, is paid two-thirds by the State of Maryland and one-third by the City of Baltimore, correlating to the proportion of tax revenue historically seen at each level of government.

The task force would issue a third-party governance benchmarking report that compares Baltimore to its national competitors, authoring recommendations for how the BCC can better compete in the convention marketplace through changes to its long-standing business model. These changes would keep the BCC “in the game”, attracting business away from the more modern venues in surrounding areas, as well as increasing agency revenue and decreasing any state or city subsidies.

As such, I urge this committee to issue a favorable report on SB0896. Thank you for your time.

Respectfully,

Jill P. Carter