

January 31, 2024

The Honorable William C. Smith, Jr. Chair Senate Judicial Proceedings Committee

Re: SB60

Position: Support

Chair Smith, Jr and Committee Members:

On behalf of the Maryland Tourism Coalition (MTC) and our members, I am writing to express our <u>SUPPORT</u> for Worcester County – Motor Home and Recreational Trailer Shows – Out–of–State Dealers bill, SB60. This local, enabling courtesy legislation, would allow out-of-state RV dealers to participate in vehicle shows for motor homes or recreational trailers that take place in Ocean City. The bill does not allow deposits or point of sales from out-of-state dealers but does allow them to display their products. The intent of this bill is to increase economic tourism to Ocean City. Outdoor recreation in the state of Maryland generates \$8.3 billion. RVing is listed in the top five (5) industries 2<sup>nd</sup> to boating/fishing and followed by hunting/shooting/trapping, motorcycling/ATVing and equestrian.

RVs cater to the recreational consumer with disposable income and are often considered luxury purchases. As a point of comparison, boats also cater to the recreational consumer with disposable income and are often considered luxury purchases. In Maryland, out-of-state boat dealers already have the opportunity to display, take deposits, and complete points of sale at boat shows within the State. These out-of-state dealers pay Maryland Licenses and Taxes on the registration of the boat for the Maryland resident, so tax dollars are not lost. Boats are licensed by DNR and RVs are licensed by MVA, but the intent of the consumer purchasing either product is the same.

The closest in-state dealer is 74 miles away from Ocean City and therefore, many out-of-state dealers from Delaware and Virginia are physically closer and more accessible. There are also makes and models of RV's that are no represented by Maryland dealers including Air Stream, Scamp, Oliver, and the Aluminum Trailer Company, to name a few.

These changes are intended to capitalize on Ocean City's reputation as a tourist destination in order to increase sale opportunities for the nine RV dealerships in Maryland, eight of which are on the other side of the Chesapeake Bay Bridge and much farther away from the Eastern Shore market than many out-of-state dealers.

Tourism is a very important part of Maryland's economy. In fact, it is the 10<sup>th</sup> largest private sector employer, creating 187,296. Tourism generates \$2.3 billion in state and local taxes saving Maryland households nearly \$1,000 annually in state taxes. For every \$1 spent on marketing tourism by the Maryland Office of Tourism, \$31 comes back to the Maryland economy. According to RVPark.com, Maryland is home to 89 RV Parks. These parks attract visitors that are both Maryland residents and out of state residents, who are spending money and making an economic impact, statewide.

When we invest in tourism, we all win. We urge you to approve this bill. Please feel free to reach out to me directly with any questions.

Respectfully Submitted,

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