

SB0638 - MTC Testimony.pdf

Uploaded by: Matt Libber

Position: FAV



February 25, 2024

Senator Brian Feldman
Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

RE: SB0638 - Department of Natural Resources – Savage River Lodge – Hotel Rental Surcharge -
Favorable Support

Chairman Feldman,

My name is Matt Libber, and I am the Legislative Committee Chair for the Maryland Tourism Coalition (MTC). I am writing to express MTC's favorable support of Senate Bill 0638, Department of Natural Resources – Savage River Lodge – Hotel Rental Surcharge. This measure represents an important step in bolstering Maryland's tourism industry by generating dedicated revenue for tourism marketing and promotion.

The proposed hotel rental tax will provide essential funding to enhance marketing efforts that attract visitors to our state. In an increasingly competitive travel market, sustained and strategic marketing investments are critical to positioning Maryland as a premier destination for travelers from across the country and beyond. The additional resources generated through this surcharge will help promote not only Savage River Lodge but also the surrounding region, driving increased visitation and economic benefits for local businesses, attractions, and hospitality providers.

Furthermore, reinvesting hotel tax revenue into tourism promotion creates a sustainable cycle of economic growth. By attracting more visitors, we can boost local job creation, support small businesses, and generate additional tax revenue that benefits the broader community. The hospitality sector plays a pivotal role in Maryland's economy, and measures like this surcharge help ensure its continued success and competitiveness.

We appreciate your leadership in advancing policies that support tourism growth and economic development in Maryland. I urge you and your colleagues to support this legislation, which will provide long-term benefits for our state's tourism industry and local economies.



**MARYLAND
TOURISM
COALITION**

Thank you for your time and consideration and we ask for a favorable report for SB0638.

Respectfully submitted,

Matt Libber
Legislative Chair
Maryland Tourism Coalition
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301-528-1480

SB638.pdf

Uploaded by: Mike McKay

Position: FAV

MIKE MCKAY
Legislative District 1
Garrett, Allegany, and Washington Counties



Judicial Proceedings Committee
Executive Nominations Committee

Joint Committees
Administrative, Executive,
and Legislative Review
Children, Youth, and Families
Program Open Space and Agricultural
Land Preservation

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Senate Bill 638 – Department of Natural Resources – Savage River Lodge – Hotel Rental Surcharge

January 22, 2025

Dear Chairman Feldman, Vice Chair Kagan, and Members of the Committee,

Senate Bill 638 requires the Department of Natural Resources to assess and collect an 8% hotel rental surcharge on rental units at the Savage River Lodge. It will remit the proceeds to the Comptroller for distribution to Garrett County and requires Garrett County to use and distribute the proceeds of such in a certain manner.

I thank you for your time and I urge a favorable report.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike McKay".

Senator Mike McKay
Representing the Appalachia Region of Maryland
Serving Garrett, Allegany, and Washington Counties

SB0638_DNR_OPP_EEE_3-4-25.pdf

Uploaded by: Emily Wilson

Position: UNF



Wes Moore, Governor
Aruna Miller, Lt. Governor
Josh Kurtz, Secretary
David Goshorn, Deputy Secretary

March 4, 2025

BILL NUMBER: SENATE BILL 638 – First Reader

SHORT TITLE: Department of Natural Resources - Savage River Lodge – Hotel Surcharge

DEPARTMENT’S POSITION: OPPOSE

EXPLANATION OF DEPARTMENT’S POSITION

The Department respectfully opposes SB 638. This bill requires the Department to collect an additional 8% tax on every visitor stay at the new Savage Highlands State Park. The new state park was borne of the Department’s acquisition of the former Savage River Lodge property in Garrett County. It is a top priority for the Department that this new state park is affordable, and ultimately accessible to all Marylanders. The former private lodge averaged more than \$300 for a single night’s stay. The Department intends to reduce that rate by approximately 50%. Despite the reduced rates, the Department anticipates this new state park will operate on a net positive basis year-over-year.

However, adding an additional 8% to each stay will not only be inconsistent with other similar DNR accommodations across the state, but also add approximately \$25 to each guest stay, ultimately reducing the affordability of the new facility and reducing access to many families who seek out reasonably priced opportunities to stay overnight in Maryland’s parks. Reducing the average night stay to offset the cost to future guests will reduce total revenues returned to the Department, ultimately foreclosing the opportunity to run this new property at a net positive return.

BACKGROUND INFORMATION

The Department acquired the former Savage River Lodge Property in December 2024. The property will be renamed Savage Highlands State Park and will be reopened in 2025 as a welcome addition to the current portfolio of cabin and yurt accommodations available in Maryland state parks. The new park will feature 18 cabins and eight yurts that will host couples, families or small groups in extraordinarily comfortable lodging in a 40-acre park surrounded by hundreds of acres of adjacent state forest. Hiking, cross-country skiing, fishing, hunting, wildlife watching, and more will be available to guests and day-use visitors.

BILL EXPLANATION

SB 638 requires the Department to charge an additional 8% tax to the otherwise total cost of every guest stay at the new Savage Highlands State Park (former Savage River Lodge). The Department will not be authorized to retain any of the additional revenue. Six percent of the additional revenue generated will be returned to Garrett County to promote the County. The remaining 2% will be deposited to the County’s general fund.

Contact: Emily Wilson, Director, Legislative and Constituent Services (Acting)
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