



March 2, 2026

The Honorable Guy Guzzone, Chair
Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: Opposition to SB 674 – Transportation – Regional Transportation Authorities

Chair Guzzone and Members of the Committee:

My name is Matt Libber, and I serve as Legislative Committee Chair for the Maryland Tourism Coalition (MTC). On behalf of our members, I respectfully submit this testimony in **opposition to SB 674 – Transportation – Regional Transportation Authorities**.

While we recognize and appreciate the importance of strengthening regional transportation infrastructure, this legislation raises serious concerns for Maryland’s tourism industry—one of the state’s key economic drivers.

First, the proposed increase in hotel taxes—characterized in the bill as a surcharge—would function as a tax increase on visitors. Higher accommodation costs risk discouraging overnight stays and reducing visitor spending at local restaurants, attractions, entertainment venues, and retail establishments. This impact would be particularly harmful to smaller and rural communities that rely heavily on tourism revenue to sustain local businesses and jobs.

Historically, hotel tax revenues have supported tourism marketing initiatives and directly benefited the jurisdictions in which they are collected. Diverting these funds for other purposes sets a concerning precedent and creates the potential for further reallocation in the future. At the state level, tourism marketing funding has remained essentially flat for nearly a decade, while Maryland’s neighboring states continue to increase their investments. Tourism is an intensely competitive industry, and Maryland is already losing ground due to underinvestment. The tourism industry strongly opposes any increase in the hotel tax that does not reinvest new revenue directly into tourism promotion and marketing.

Second, the legislation risks creating a fragmented and inconsistent sales tax structure across regions. A patchwork system could create confusion for visitors and negatively affect their overall experience. A seamless and predictable tax environment encourages travel across Maryland’s diverse destinations—from the Eastern Shore and historic Annapolis to Baltimore’s Inner Harbor and Western Maryland’s scenic attractions. Consistency in policy supports exploration and strengthens the state’s overall tourism brand.

We respectfully urge the Committee to reconsider advancing this legislation and instead pursue solutions that enhance transportation infrastructure without undermining Maryland’s tourism economy. Our



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industry stands ready to collaborate on strategies that improve mobility while supporting economic growth for residents and visitors alike.

Thank you for your time and consideration. We respectfully request an unfavorable report on **Senate Bill 674**.

Respectfully submitted,

Matt Libber
Legislative Chair
Maryland Tourism Coalition