



February 26, 2026

The Honorable Marc Korman, Chair
House Environment & Transportation Committee

Re: House Bill 916 - Transportation - Regional Transportation Authorities

Position: *Oppose*

Chair Korman and Committee Members:

On behalf of the Maryland Association of Destination Marketing Organizations (MDMO), I am writing to express our **opposition** for House Bill 916 – Transportation – Regional Transportation Authorities. House Bill 916 would create three new regional transportation authorities and funds for the Baltimore Region, Capital Region, and Southern Maryland Region, financed in part by new “transportation authority” sales tax surcharges, hotel surcharges, and transfer-tax surcharges dedicated to transportation. While we recognize the importance of reliable, well-funded transportation systems, MDMO strongly believes that tourism-based taxes—particularly hotel and related surcharges—are not the appropriate funding source for core transportation infrastructure.

Destination marketing organizations already operate in a highly competitive regional environment where hotel taxes and fees are a key component of price-sensitive travel decisions. Every incremental percentage of tax layered onto a room rate makes Maryland’s destinations less competitive compared to neighboring states and regions. When those added costs go to a broad transportation pot rather than back into tourism promotion and experience, we risk undermining the industry. Maryland visitors already pay into Maryland’s transportation and general funds through the existing 6% State sales and use tax on food and beverage, retail purchases, fuel, and other taxable services.

For these reasons, the Maryland Association of Destination Marketing Organizations respectfully urges an **unfavorable** report on HB 916. Transportation is a core public responsibility that should be funded from broad, transportation-linked revenue sources—not by turning tourism and hotel guests into a dedicated, long-term subsidy for regional transportation authorities.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Cassandra M. Vanhooser". The signature is written in a cursive style and is enclosed within a blue circular stamp.

Cassandra Vanhooser, Chairman
Maryland Association of Destination Marketing Organizations