

~~Section 2-1302.1~~

~~Annotated Code of Maryland~~

~~(1988 Volume and 1993 Supplement)~~

~~BY repealing and reenacting, with amendments,~~

~~Article Tax General~~

~~Section 2-1303~~

~~Annotated Code of Maryland~~

~~(1988 Volume and 1993 Supplement)~~

Preamble

WHEREAS, The 1993 Maryland General Assembly, recognizing the value and importance of pursuing a more aggressive policy for the development of tourism in Maryland, enacted Chapter 625 of the Acts of 1993 (House Bill 1590), which:

(1) recognized tourism as a stimulus to economic development and capital investment, thereby resulting in job creation, income growth and increased tax revenues; and

(2) established the Maryland Tourism Development Board to coordinate and manage the State's tourism efforts, including the development of creative funding strategies to improve our competitive position with neighboring states; and

WHEREAS, This Act is consistent with and responsive to the intent of Chapter 625 of 1993; and

WHEREAS, This Act provides adequate, consistent, and long-term funding for tourism promotion, which is crucial for a successful, competitive marketing program, where a 1% loss in market share is estimated to equal \$50 million in foregone visitor spending and \$6 million in foregone tax revenue; and

WHEREAS, At present, there are several non-neighboring states which are spending an estimated \$25 million yearly on tourism advertising in Maryland's primary market; and

WHEREAS, The tourism budgets in Virginia and Pennsylvania this year alone equal \$10.1 million and \$12 million, respectively, compared to Maryland's \$5 million tourism budget; and

WHEREAS, It is documented that for every \$1 spent on tourism advertising, \$8 is returned to the State through taxes and visitor spending; and

WHEREAS, Funding for tourism advertising marketing in the State during Fiscal Years 1996, 1997, and 1998 under this Act will result from a base appropriation of the fiscal year 1995 appropriation to the Office of Tourism Development within the Department of Economic and Employment Development plus a share of the annual growth associated with sales tax revenues derived from specific tourism related business categories — restaurants, taverns, hotels, amusement places, carnivals/fairs, holiday season vendors, and race tracks any additional moneys appropriated for the Maryland Tourism Development Board to supplement the State's tourism development efforts; and