

February 27, 2025

The Honorable Nancy J. King  
Senate – Budget and Tax – Education, Business and Administration Subcommittee

Dear Chairwoman King and Members of the Subcommittee:

On behalf of the Allegany County Chamber of Commerce, I urge you to support full funding of \$12.4 million for the Maryland Tourism Development Board (MTDB) in the Fiscal Year 2026 budget. Tourism is a cornerstone of Maryland's economy, driving revenue, supporting jobs, and sustaining local businesses. Without sufficient funding, Maryland risks losing visitors to competing states, leading to economic downturns across our communities.

The immediate consequences of underfunding include:

- lower competitive advantage – insufficient resources limit Maryland's ability to attract out-of-state visitors, reducing tourism spending;
- job losses – declining visitor numbers negatively impact employment in hospitality, retail, and entertainment sectors;
- economic decline – small businesses that rely on tourism will experience significant revenue losses, leading to closures and reduced economic activity;
- deteriorating infrastructure – inadequate funding can result in the neglect of public spaces and attractions, affecting visitor experiences and residents' quality of life;
- community impact – tourism-dependent communities will face financial hardship, increasing poverty and social challenges.

Conversely, maintaining full funding ensures the tourism industry remains a powerful economic driver. Commerce's research highlights that in 2023 alone, 45.1 million Maryland visitors generated a gross economic impact of \$31.4 billion, contributing \$2.4 billion in state and local taxes. The industry supported 190,660 jobs, providing \$10.1 billion in total labor income. Most importantly, tourism's economic impact saved each Maryland taxpayer \$1,027—a substantial quality-of-life benefit.

Allegany County exemplifies the positive impact of tourism investment. As the third-largest industry employer in the county, tourism generates \$202 million in direct travel spending and \$50 million in direct tax revenues annually. Every dollar spent on tourism marketing yields a remarkable \$34 return to state and local governments. Increased marketing investments in Allegany County drove visitor volume in 2023 to 114% of 2019 levels, with visitor spending surpassing pre-pandemic levels by 22%. Cutting funding for the Maryland Tourism Development Board and the Office of Tourism Development would have dire consequences for countless small businesses statewide.

If Maryland's economic growth is a priority, tourism funding cannot be overlooked. We strongly urge the subcommittee to advocate for full funding in the FY26 budget, ensuring Maryland remains a top-tier travel destination and an economic engine for the state.

Thank you for your time and consideration. We look forward to your leadership in securing Maryland's future through sustained tourism investment.

Sincerely,



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cc: Allegany County Delegation