

Alison Sucy, Chief Operating Officer and Director of Government Affairs on Behalf of the Maine Tourism Association In Opposition To

LD 1177, An Act Assess a Slip Fee on Megayachts Registered in Overseas Tax Havens

April 25, 2023

Senator Chipman, Representative Williams, and Members of the Joint Standing Committee on Transportation:

My name is Alison Sucy and I am the Chief Operating Officer and Director of Government Affairs for the Maine Tourism Association. The Maine Tourism Association is a non-profit association and the state's largest tourism organization. For over 100 years, MTA has been promoting Maine and supporting members in every type of tourism business such as lodging, restaurants, campgrounds, retail, outdoor recreation, guides, amusements, and historical and cultural attractions. I present this testimony in opposition to LD 1177.

Although it may seem like taxing wealthy out-of-state yacht owners is a good idea, the reality is that this proposal will hurt Maine workers and small business owners. Our opposition is not about giving a break to the wealthy; it is about the harm that will come to our hardworking Maine citizens and our working waterfronts. It will be Maine workers and our small business owners who suffer should Maine lose these yacht dockings.

The yachts that dock in Maine provide great benefits to a wide variety of services that they utilize such as local fisheries, farmers markets, grocery stores, breweries and wineries, restaurants, transportation, retail, contractors and mechanics, and fuel. In addition, these travelers visit other parts of our state, staying our hotels and taking part in any number of our tourism offerings like outdoor recreation, tours, and museums and theaters.

A strong tourism industry equals a strong Maine economy. Tourism is a tremendous contributor to the Maine economy as evidence by this 2022 data from the Maine Office of Tourism:

- Tourism supported 151,000 Maine jobs
- Every 102 visitors support a new job in Maine
- Direct tourism expenditures totaled \$8.6 billion
- Without tourism, Maine households would have had to pay an additional \$2,172 in state and local taxes

We believe this proposal will do more harm than good for our local businesses and the tourism economy. Thank you for your consideration of our testimony.