

STATE OF MAINE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



JANET T. MILLS GOVERNOR HEATHER JOHNSON COMMISSIONER

TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS

NEITHER FOR NOR AGAINST LD 1156

An Act to Authorize a General Fund Bond Issue to Promote the Design, Development, and Maintenance of Trails for Outdoor Recreation and Active Transportation

April 27, 2023

Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Carolann Ouellette, and I am the Director of the Office of Outdoor Recreation. I am speaking on behalf of the Department of Economic & Community Development (DECD) as neither for nor against LD 1156, *An Act to Authorize a General Fund Bond Issue to Promote the Design, Development and Maintenance of Trails for Outdoor Recreation and Active Transportation.*

The <u>Maine Office of Outdoor Recreation</u> focuses on leveraging Maine's assets and outdoor recreation heritage to grow the outdoor recreation economy and build Maine's outdoor recreation brand as part of a coordinated effort with partners from the public and private sectors. Outdoor recreation makes up 3.6% of Maine's economy, making Maine one of the top five states in the country in the value outdoor recreation adds to statewide GDP as measured by the Bureau of Economic Analysis Outdoor Recreation Satellite Account in its 2021 report. Outdoor recreation supports more than 30,000 jobs in Maine, accounting for 4.9% of employment and providing more than \$1.2 billion in compensation, accounting for 2.8% of the state's wages. Employment has grown 15.6% in Maine compared to an increase of 13.1% for the United States.

The pandemic highlighted the need for close-to-home recreation, specifically the importance of better access to the outdoors for all as so many discovered the health benefits, both physical and mental, of spending time outside. This increase in participation by both residents and visitors has put a strain on ecosystems and infrastructure, reminding us of the ongoing challenges of overuse and revealing the need for investment in, and increased access to, trails and open spaces for resident quality of life, deeper visitor experiences, and long-term sustainable economic development.



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Outdoor recreation fuels employment in other sectors, such as manufacturing, finance, retail, transportation, food services, tourism, travel and more. Outdoor recreation infrastructure has proven an invaluable asset for economic development offices and chambers of commerce seeking to attract new employers, and places that invest in outdoor assets attract employers and employees who value the work-life balance that outdoor access provide.

Trails, more specifically, make communities more attractive places to live, work and visit. When considering where to move, homebuyers rank walking and biking paths as one of the most important features of a new community. Trails often influence business location and relocation decisions. Companies often choose to locate in communities that offer a high level of amenities to employees as a means of attracting and retaining top-level workers. Trails are active transportation infrastructure providing safe alternatives for bike and pedestrian traffic.

Maine's Economic Development Strategy's Attract Talent section, ACTION B5 states: "Promote "Quality of Place" investments. The quality of our recreational opportunities, historic places, and arts and culture are a draw for tourists and residents alike. Each area of Maine has special attributes. We will work directly with local communities to explore asset development that attracts and retains people."

A recent economic analysis of the Eastern Trail completed by Camoin Associates and in partnership with Southern Maine Planning and Development Commission (SMPDC) highlights a total annual economic impact of \$44.6M associated with Eastern Trail use between its northern terminus in South Portland and the state border in Kittery with an estimated roughly 250,000 users annually based on recent trail counts, each spending an average of \$118 per day. The trail also supports 364 jobs across the state, \$12.5M in earnings and \$32.1M in sales. Snowmobiling generated \$459 million in direct spending to the Maine economy and supported 2,279 jobs in the state during the 2018–19 season, according to a 2020 study by the University of Maine in collaboration with the Maine Snowmobile Association (MSA) and the state Snowmobile Program. Accounting for indirect and induced economic activity, the contribution of snowmobiling to Maine's economy was over \$606 million

Over the last few years, Maine has experienced some of the highest in-migration numbers in decades and is poised to continue attracting talent and businesses. Maine's abundant natural resources can be a cornerstone of the state's long-term prosperity, if capitalized effectively – helping drive a sustainable, environmentally responsible economy.

In summary, the funding identified in this bill would fill a vital role in supporting, and growing, Maine's outdoor recreation economy through investments in our trails which are critical outdoor recreation assets. Thank you for your time. I would happily answer any questions now or at the work session.