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To the Appropriations and Financial Affairs Committee:

I strongly oppose moving funds out of the Maine Tourism Marketing Promotion Fund.

For more than 20 years, I have served on the board of the Maine Beaches Association, working directly to promote and support the Beaches Region. Through this work, I have seen firsthand how critical consistent, well-funded marketing is to driving visitation, sustaining local businesses, and supporting the many communities that depend on tourism dollars.

The Tourism Marketing Fund was created in law in 2001 with a clear intent: to ensure that industry-generated revenue is reinvested directly into tourism promotion. Using these dollars for unrelated purposes sets a concerning precedent and breaks from a long-standing commitment that tourism businesses have relied on when planning, investing, and employing year after year.

These funds are generated by the industry itself through the meals and lodging tax. With the lodging tax at 9%, the tourism industry contributes a substantial share of state revenue, and it is essential that these funds remain protected for their original purpose. Businesses generate this revenue with the expectation that it will be reinvested to keep visitors coming and businesses operating, and affirming that expectation is critically important.

Marketing works. The Maine Office of Tourism has reported that for every \$1 invested in tourism marketing, the state sees approximately \$15–\$20 in visitor spending. Cutting promotion does not simply reduce advertising—it reduces economic return and weakens one of Maine’s most effective economic engines.

Over the past year, the industry and the state have expressed concern about declining visitation, particularly from Canadian travelers. Now is not the time to weaken our marketing efforts. If visitation declines, the impact is often immediate and deeply felt: fewer reservations, reduced hours for employees, and less spending throughout local communities. For regions like the Beaches, which rely heavily on seasonal tourism, even a modest decline can have lasting consequences for businesses, workers, and municipalities.

Maine’s restaurant, lodging, and tourism businesses work hard knowing that a portion of the revenue they generate for the state will be reinvested to help keep visitors coming. Redirecting \$700,000 from the Tourism Marketing Promotion Fund directly weakens our ability to compete, recover, and grow. I respectfully urge the committee to protect these funds and ensure they are used exclusively for tourism promotion, as originally intended.

Respectfully submitted,
Katie Keene