

April 2025

To: The Committee on Transportation

RE: LD 115 – An Act to Assess Impact Fees on Megayachts

Senator Nangle, Representative Crafts, and members of the Committee on Transportation,

My name is Stacey Keefer. I am a resident of Union and I am testifying today in my capacity as Director for the Maine Marine Trades Association (MMTA). MMTA represents over 120 Maine businesses and an industry comprised of boatyards, boat builders, marinas, boat dealers, marine retailers, and more. Boating is a major contributor to the value added to Maine's gross domestic product, and surpasses the value added by all other major recreation sectors. The federal government's Bureau of Economic Analysis reported that data shows that boating and fishing surpass the value added by RVing, hunting, snow activities, hiking, camping, ATVing, equestrian, bicycling, and recreational flying combined. (source <https://www.bea.gov/data/special-topics/outdoor-recreation>).

MMTA is opposed to LD 115 and we testified in opposition to a similar bill in the 131st Legislature. In that session it was noted that the State does not have solid data regarding the number of megayachts that visit Maine waters in recent years. Thus, we believe it is unfair to assess impact fees without any estimated measure of those impacts. We would rather be in favor of creating a study to measure the positive economic impacts that yachts provide to our small coastal businesses so legislators could better understand the value of this niche of tourism. Our marinas and waterfront businesses already know that the crew and guests on these vessels spend generously on dining, provisions (including Maine seafood), floral arrangements, artwork, and local services at businesses such as salons, spas, and golf courses.

Respectfully, we do not believe the bill sponsors understand that these yachts are typically run as a business. They are often on charter and the captains are responsible for managing costs, even though most bystanders would look at these vessels as having little to no budget constraints. As soon as this bill was printed, I got a call from a concerned captain who runs the group chat for the Northeast United States. These captains all talk and compare notes and costs. We appreciate that the proposed fees would not apply to private marinas, however the concept sends a severely unwelcoming sentiment to the large yacht community. It is unfair to a small city like Rockland where they only collect a base fee of \$2.50 per foot per night. Under this proposal a 200-foot yacht would spend \$1000 per night instead of \$500. It is possible that a captain might still spend that if they cannot get to a private marina, but it is more likely that they would just anchor out or unfortunately skip going to Rockland at all.

At a time when tourism is looking uncertain for the near future, we are concerned that these international traveling yachts might skip Maine completely and opt for the Canadian Maritimes. We urge lawmakers to avoid sending any unwelcome vibes to any type of Maine tourist, whether they arrive by bicycle, RV, private jet, or megayacht. Our small businesses that rely on tourism are facing too much economic uncertainty.

If the bill sponsors have any studies that show that there are negative impacts from large vessels, then we would argue that cruise ships must have the same impacts (or worse) and should potentially be included in these fees.

Lastly, we believe that the municipalities should decide whether or not to charge any impact fees -- and if they do, they should retain all those fees to cover the costly infrastructure that they provide and maintain in order to welcome large vessels. However, if the legislature does decide to move this proposal forward, we urge that the municipality should be able to keep half of the funds and the other half should go toward only marine issues such as working waterfront resiliency, cleaning up derelict fishing gear/marine debris, and/or funding to help remove abandoned and derelict vessels.

Thank you for your consideration. I am happy to answer questions.

Respectfully,

Stacey Keefer

Maine Marine Trades Association, Executive Director

