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## **Testimony in Support of LD 1493**

"Resolve, Directing the Department of Economic and Community Development To Create and Administer a Fund To Provide Seasonal and Tourism Industry Recovery Grants"

## Presented to the Joint Standing Committee on Innovation, Development, Economic Advancement and Business

Tuesday, April 20, 2021

Good afternoon, Senator Curry, Representative Roberts and distinguished members of the Committee on Innovation, Development, Economic Advancement and Business. I am Senator Joe Baldacci and I represent Senate District 9, which is made up of Bangor and Hermon. I am here today to testify in support of LD 1493 "Resolve, Directing the Department of Economic and Community Development To Create and Administer a Fund To Provide Seasonal and Tourism Industry Recovery Grants"

When Sen. Rafferty reached out and asked me if I would like to cosponsor this bill, I did not hesitate. Maine's tourism industry is a massive part of our economy and our identity. We are "Vacationland" after all.

In Maine, our tourism industry accounts for 9.4% of all employment, which makes us more dependent on this industry than our more economically diverse neighbors in the Northeast. Over 60,000 Mainers were employed in the hospitality and tourism industry in the second quarter of 2019. Fast forward to November of 2020, this industry lost nearly 20,000 jobs. Small businesses in Maine, those with less than 500 employees, accounted for 99.2% of all businesses in Maine and 56.5% of the total workforce in 2019. The Maine Consensus Economic Forecasting Commission (CEFC) reported at the end of last year that our total nonfarm workforce will not see a full recovery until 2025.

I support this bill because it uses federal funds to provide support to one of our most critical economic industries in the state. We should be doing all we can to help our economies and businesses return to where they were before the COVID-19 pandemic entered our lives. Passing

<sup>&</sup>lt;sup>1</sup> https://mainepolicy.org/understanding-the-economic-damage-caused-in-2020/

<sup>&</sup>lt;sup>2</sup> https://www.maine.gov/labor/cwri/

<sup>&</sup>lt;sup>3</sup> https://cdn.advocacy.sba.gov/wp-content/uploads/2019/04/23142650/2019-Small-Business-Profiles-ME.pdf

<sup>4</sup> https://www.maine.gov/dafs/economist/sites/maine.gov.dafs.economist/files/inline-

this bill would jumpstart the recovery process for many of these businesses and I hope you will join me in supporting it.

Thank you for the opportunity to testify and I would happily answer any questions you may have