

Senator Hamper, Chair
Representative Gattine, Chair
Members, Joint Standing Committee on Appropriations and Financial Affairs

RE: Testimony in support of LD 1552, An Act To Authorize Multiple General Fund Bond Issues To Improve Highways, Bridges and Multimodal Facilities

My name is Diane Johanson, I am a resident of Turner, and I serve as the Director of Government Affairs for the Maine Tourism Association. I am pleased to provide testimony today in support of LD 1552, An Act To Authorize Multiple General Fund Bond Issues To Improve Highways, Bridges and Multimodal Facilities.

The Maine Tourism Association represents approximately 1,500 members across the state promoting Maine's tourism industry. Most of our members include small and medium sized, family-owned businesses that provide lodging, dining, camping, retail shopping, and cultural and heritage experiences. We proudly support promoting the unique quality of the Maine tourism experience.

In 2016, almost 36 million visitors chose Maine as their vacation destination and while they were here, they generated more than \$8.8 billion in total sales and almost \$600 million in total taxes. To keep this revenue stream strong for both the state and businesses that rely on vacationers, we need to make sure that Maine is viewed as a welcoming and safe destination. The quality of our highway system certainly plays a role in that decision-making process.

Maine caters to the leisure travel market, which accounts for most of our tourists. Nearly nine out of 10 of these travelers – about 87% - arrive here by automobile. And while vacationing here, driving for pleasure continues to be the most common touring/sightseeing activity for both first-time and repeat visitors. That is why it is so important to the tourism industry to keep our roads and bridges well-maintained and safe. These vacationers, as well as our own residents, expect our entire transportation system to be in tip-top shape.

The Department of Transportation has done an excellent job over the years in making sure those expectations are met. Unfortunately, there just isn't enough funding available to take care of Maine's unmet transportation funding needs, which currently hovers around \$160 million annually.

Earlier this year, several us testified before the Transportation Committee on ways to help pay for necessary highway and bridge projects including increasing registration fees, dedicating taxes from transportation-related purchases to the Highway Fund, and increasing the gas tax. But even if all the suggested revenue enhancers were implemented, the state would still fall short by more than \$100 million annually in needed funding.

Transportation bonding must be a part of the funding mix if we are committed to addressing our transportation infrastructure needs. The Maine Tourism Association asks for the committee's support of LD 1552. Thank you.