

December 2, 2022

Senator Louis W. Blessing, III
Chair
Ways and Means Committee
1 Capitol Square, Ground Floor
Columbus, OH 43215

Senator Kristina D. Roegner
Vice Chair
Ways and Means Committee
1 Capitol Square, Ground Floor
Columbus, OH 43215

Senator Dale B. Martin
Ranking Member
Ways and Means Committee
1 Capitol Square, Ground Floor
Columbus, OH 43215

Dear Chair Blessing, Vice Chair Roegner, and Ranking Member Martin:

The Marine Retailers Association of the Americas (MRAA), National Marine Manufacturers Association (NMMA), and Water Sports Industry Association (WSIA) write today to highlight our support for HB 314 and **ask that the Ways and Means committee take action on HB 314 before the end of the legislative session.** Collectively, our trade associations represent the recreational boating industry in North America, leading on issues impacting marine dealers, marine manufacturers, and associated equipment providers. If passed, HB 314 stands to significantly benefit the many small recreational boating businesses in Ohio that make up the states growing outdoor recreation economy. By passing HB 314, you would be helping Ohio small business owners increase out-of-state business that would significantly benefit their bottom line at a time when it is needed most.

Ohio has a strong outdoor recreation economy that, according to the Bureau of Economic Analysis Outdoor Recreation Satellite Account, generated \$12.8 billion in 2021 and supported 137,845 jobs. Recreational boating is not only part of Ohio's heritage and a favorite past-time among Buckeyes, but it is also a significant economic driver and a cornerstone of Ohio's overall outdoor recreation economy and generated \$582,146,000 in economic activity in 2021.

Despite the success of this sector, the recreational boating industry in Ohio is comprised of small businesses that rely on a variety of income streams to make ends meet, relying on fuel sales, boat sales, accessory sales, service, and storage. Due to Ohio's climate boating is seasonal and throughout the winter, the service and storage of vessels is essential to make ends meet.

House Bill 314 is focused on facilitating a more business-friendly climate for marine retailers and service providers throughout Ohio by encouraging more out of state business and removing a punitive "use tax" for vessels making use of Ohio's sought-after storage and service facilities. Furthermore, this legislation would keep in place existing sales tax charged for the service and storage of a vessel so the state would not be losing out on any of that revenue. Lastly, the bill has a favorable Fiscal Note and Local Impact Statement from Ohio Legislative Service Commission,

ultimately stating that the “any revenue decreases may be relatively small, primarily because language in the bill requires that the watercraft owner would have already paid state taxes”. HB 314 is not a tax break or loophole for out of state boat owners but instead a way to level the playing field for Ohio’s businesses and workforce who desperately need this income during the slowest part of the season.

We are disappointed to see that HB 314 has stalled in the Ways and Means Committee since it was last heard in March, 2022 and has yet to be scheduled for a vote despite considerable support and a positive score by the Legislative Budget Office. Furthermore, this legislation has a flawless track record and passed unanimously out of the House of Representatives with no opponent testimony provided throughout the entire House process. The undersigned organizations again ask you to be a champion for Ohio’s recreational marine industry and schedule HB 314 for a vote as soon as possible. Thank you for your time and the consideration of our request, we hope you help move forward legislation that will foster the growth and success of Ohio’s small marine businesses.

Sincerely,

Chad Tokowicz
Government Relations Manager
Marine Retailers Association of the Americas

Jill C. Sims
Senior Manager of Great Lakes Policy and Engagement
National Marine Manufacturers Association

Lee Gatts
Government Relations
Water Sports Industry Association