



Testimony in Opposition to LD 1893, “[An Act to Allow a Municipality to Impose a Fee on Short-term Rentals for the Benefit of That Municipality](#)”

Senator Grohoski, Representative Perry, and distinguished members of the Committee on Taxation, thank you for the opportunity to testify on LD 1893. My name is Jacob Posik and I am testifying in opposition to LD 1893 on behalf of Maine Policy Institute, a nonpartisan, nonprofit organization that works to expand individual liberty and economic freedom in Maine.

Economics tells us that if you tax or impose fees on an activity, you get less of it. Limiting or attempting to restrict the use of short-term rentals by way of new fees, absent any articulable concerns for public health and safety, is unnecessary and reduces housing options for individuals who prefer these arrangements.. This kind of regulation suppresses the entrepreneurial spirit of individuals who want to generate supplemental income by using their own property to do so.

The short-term rental market has provided benefits to all sorts of everyday Mainers. When people are struggling to make ends meet, few sustainable options are available and those choices are usually confined to finding another job or cutting extraneous expenses. But when you can rent out a portion of your home, it becomes a lot easier to pay the bills. Countless Mainers are doing this across the state.

Running a short-term rental has allowed thousands more Mainers to earn extra income to provide for their families. A vibrant short-term rental market also supports tourists and visitors to Maine who prefer to find a place to stay that is different or cheaper than a hotel room, as well as travel nurses and locum tenens in the healthcare industry whose services Mainers desperately need.

Short-term rentals are voluntary, mutually-beneficial agreements negotiated by two parties exercising their individual choice and property rights. These are win-win situations into which politicians have no business unnecessarily inserting themselves by allowing the imposition of new fees.

Some Mainers are already subject to onerous restrictions and prohibitions on short-term rentals at the local level.¹ Government should not dictate what individuals can or cannot do with their property as long as public health and safety are not a factor.

¹ [New ordinance diminishes the rights of property owners in South Portland](#) | The Maine Wire



Maine Policy strongly believes it is the state's obligation to protect private property rights. Penalizing Mainers who choose to use their own property to run a short-term rental does just the opposite.

Please deem LD 1893 "**Ought Not To Pass**" and protect property owners and their tenants from misguided fees. Thank you for your time and consideration.