

Sharon Knopp
Bar Harbor
LD 746

Please support LD746. As a downtown resident of a tourist town that sees ever-increasing numbers of visitors, I live every day for 5 months with congested streets, difficulty finding parking spots, crowds in the supermarket, difficulty making cell phone calls due to the large number of people overloading the cell towers, inability to get into restaurants, difficulty accessing our municipal waterfront due to crowds, etc. But the most significant impact is the strain on our municipal resources: needing to maintain and clean restroom facilities, sidewalks, roads, water and sewer infrastructure that must be expanded to accommodate the increased volume, public safety personnel that must be available in larger numbers, enormous amounts of trash and food waste that must be dealt with, etc.

Maine residents already have one of the highest property tax burdens in the state. Working families, singles, and seniors already struggle to purchase housing due to ever-increasing property values, and property taxes are continually increasing to pay for the increased costs of welcoming visitors. Seniors were thrilled when the state passed a bill to freeze property taxes; that lasted one year. The next year the bill was deemed unsustainable, and we saw our property taxes jump by two year's worth of increases. THAT is not sustainable for homeowners on fixed or limited incomes. This bill provides a way for Maine towns to directly earn revenue on visitors, and almost all towns have visitors now due to the enormous increase in Airbnb's and VRBO properties. While it adds 2% to the 9% State mandated lodging tax, that total of 11% taxes on rooms and short term rentals still falls in the lower range of taxes that get paid on rooms throughout the country. Maine is still a "good deal"! But of that 2%, 90% would stay in the local community, giving municipalities a way to lower the property tax burden while having a source of revenue to pay for public works projects and infrastructure that benefits residents and tourists alike. Currently the biggest beneficiaries of tourists are lodging establishments, restaurants, and the State of Maine itself. Allow the local towns who host those visitors to share in that largesse; the money is desperately needed. And this bill would benefit even those towns who do not have any visitors, by having 10% of the income go to support affordable housing projects in rural communities across the state. This is a win-win. Despite claims by the lodging industry, visitors do not stop coming to towns that implement local options lodging taxes. And everywhere we travel across this beautiful land, we pay large percentages in lodging, sales, county, municipal, and local option taxes. Tourists expect this, and they (sometimes begrudgingly) pay it. They don't change their travel choices because of this, as long as the overall tax burden doesn't put an area in the highest tier of taxes. This bill will not decrease visitors to Maine. But it will provide a real benefit to Maine citizens. And even Mainers aren't likely to object to paying an extra \$2 on a \$100 room, or \$10 on a \$500 room, if they know it benefits Mainers. Please support this bill. Let's get it done for Mainers!

Respectfully,
Sharon Knopp