

Greg Soutiea  
SPRUCE HEAD  
LD 632

Testimony in Opposition of LD-632: “An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing”.

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Senator Grohoski, Representative Cloutier, and members of the Joint Standing Committee on Taxation, my name is Greg Soutiea and together with my wife Lauren Soutiea, we have owned the Craginair Inn by the Sea and Causeway Restaurant in St. George for over 6 years now. We have grown the seasonal restaurant from 7 employees to now over 50 in peak season and a year-round restaurant giving us the opportunity to support 20+ of our staff with year-round jobs. Following, you will hear testimony as to why we oppose LD-632 and 764.

First – we believe in housing and we believe that our state needs more of it. I can appreciate this Committee’s attempt to fund programs through local options taxes – however taxing short-term lodging is not a fair nor sustainable way forward.

Second – we were one of the first employers in our area to begin investing in workforce housing for our staff. We currently own 3 multi-families in nearby Rockland which contain 10 apartments. Of those 10 apartments 8 of them are at or below 80% rental rates of the Knox County AMI and the other two are below the area “market rate”. We want people to be able to live close to where they work, and of course where those jobs are located.

I believe that this legislature should continue to work to fund the Rural Affordable Rental Housing Program (as suggested in 764) – but not at the downfall of the state’s hospitality industry that is key to the overall economic success of our state.

I do believe, and have discussed such with Representative Gere, that there is a missing gap between public and private partnerships with the state and business owners looking to purchase/renovate/develop housing to use for their staff or local workforce housing.

Testimony by Greg Soutiea, March 12, 2025