

Alexis Miller
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LD 1181

My name is Alexis Miller, Experience Curator for Cottage Connection of Maine, a second-generation family business deeply invested in the economic well-being of Maine. I am here today to express my strong opposition to LD 1181, "An Act Regarding the Designation of Short-term Rental Units as Commercial or Residential in Use."

Our business manages short-term rentals across Maine, and we work closely with a wide range of homeowners. Many of these individuals rely on rental income to afford their homes or to preserve family properties for future generations. This bill has the potential to significantly disrupt their livelihoods and the tourism sector that underpins so much of Maine's economy.

First, LD 1181's simplistic designation of "commercial in use" based solely on primary residency ignores the diverse realities of short-term rentals. I believe the vast majority of rentals in our state are family-run. These are often individuals who have purchased their dream home in Maine and rent it out to manage the mortgage before relocating, or families acting as stewards of homes passed down through generations, using rental income to ensure their preservation for the future, as well as pay their insurance, and their very high taxes. Did you know that Maine ranks 48th in the country on the competitiveness of our property taxes? These rentals, in essence, contribute to affordability by offsetting the costs of ownership. Second, this bill raises serious concerns about enforcement. How will the state ensure every municipality correctly implements and enforces these regulations? What will be the cost in terms of time, training, and taxpayer money, and what tangible benefit will this achieve for the people of Maine? Finally, while the stated goal is housing production, the connection to arbitrarily labeling properties "commercial" is unclear. What is clear is the potential negative impact on Maine's largest industry: hospitality and tourism, which employs a significant portion of our workforce. As we've discussed previously, 56.3% of Maine employees work for small businesses, and the tourism sector is heavily comprised of these small, local enterprises. Imposing burdensome regulations on short-term rentals will harm these businesses and the overall Maine economy.

In conclusion, I oppose LD 1181 due to its flawed definition of "commercial use," the significant questions surrounding its enforcement and cost, and its potential to negatively impact Maine's crucial tourism industry and the many small businesses it supports. I urge the committee to reject this bill and seek more thoughtful solutions for housing that do not come at the expense of our economic vitality.