



HOUSE OF REPRESENTATIVES

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Senator Grohoski, Representative Perry, and Distinguished Members of the Joint Standing Committee on Taxation, I stand before you today in support of **LD 1893: An Act to Allow a Municipality to Impose a Fee on Short-Term Rentals for the Benefit of That Municipality**. My name is Amanda Collamore and I represent House District 68, Pittsfield, Clinton, Burnham, and Troy. LD 1893 is intended to give Municipalities the option to impose a fee on short-term rentals to help them cover the cost of the influx of tourists that come to their small communities and increase the amount of trash, wear and tear on the roads, and the need for additional municipal positions. Currently, taxpayers in our small towns along our coast and near other tourist attractions like our ski resorts are being forced to pick up the tab for this increased traffic to their communities. Why should the senior citizens, low-income Mainers, and those who are just scrapping by have their taxes increased so tourists can come enjoy our great state?

States such as South Dakota have similar bills to help their tourist communities deal with the influx of visitors. For example, Deadwood South Dakota has a different sales tax during their peak tourist months because they have more hotel rooms than they have citizens and it's the only way they can afford to hire the number of people needed to help with the maintenance of their town during the peak season. The problem with a policy like that is that everyone pays, including the people who live there. This bill is unique in that it will charge the people coming to use the lodging, so they are contributing to the increased strain on the community instead of the taxpayers in the community. Basically, if you pay a lodging tax, you will pay this fee.

It is important to remember, this bill would not require municipalities to collect this fee. It would allow municipalities to go through their municipal process to pass an initiative to be able to collect the fee. This is an important local control option. Currently, the lodging taxes collected from hotels, motels, Air BnBs, etc. do not come back to the municipality, so they have no help paying for the additional costs to them. This would give them an avenue to help cover their increased costs during their tourist season(s).

After receiving some feedback from stakeholders, I would ask that the committee amend the bill to exempt campgrounds and to add a cap to the fee.

Thank you for your time today. I am happy to answer any questions you may have.