

AN ACT TO ALLOW A MUNICIPALITY TO IMPOSE A FEE ON SHORT-TERM RENTALS FOR THE BENEFIT OF THAT MUNICIPALITY

Testimony IN OPPOSITION to LD 1893

January 23, 2024

Senator Grohoski, Representative Perry, Members of the Joint Standing Committee on Taxation

My name is Alexis Loring Miller and I am a lifelong resident of East Boothbay – one who came home after college to enjoy life in our great state. I join many others speaking in opposition to LD 1893 for the following reasons:

- Visitors already pay a 9% lodging tax. Lodging taxes brought in over \$1 Billion in tax revenue for Maine in 2022. In addition to the 9% tax, visitors spend money in the local communities eating in restaurants, shopping, and recreating, and providing jobs for over 150,000 Maine people. (See MOT Stats)
- There is no cap in this bill on how much a municipality can charge.
- Covid created a new demand for housing, with people wanting to work from home and get out of the cities. This is partly responsible for the affordable housing issue that so many are wrongly attributing to vacation rentals. Studies have shown that vacation rentals are not the major cause of the lack of affordable housing. (See Sources.)
- Visitors don't have to come to Maine. We do compete with other tourism destinations around the country and in New England, and pricing is a factor for many visitors. Do we really need to pit towns in Maine against each other by allowing different tax percentages too?
- Towns need to budget for infrastructure as well as education and not look to vacation rentals for additional funds. There are grants available and I believe there is plenty of surplus money in the State budget, especially since the lodging tax already goes into the general fund.

Maine is *Vacationland*. We should be working together to strengthen that ethos, to share and preserve this wonderful state for the *millions* who wish to visit (and support local economies) every year. For these reasons, I ask you to vote, “ought not to pass”. Thank you for letting me weigh in!

Alexis Miller | East Boothbay, ME

Sources:

Tourism Office Of, M. (2023). MOT_GovCon_HighlightSheet_2022.pdf. Augusta, Maine; Maine Office Of Tourism.

Ogrysko, N. (2023, October 10). *Few short-term rentals could be viable, affordable homes for the average Mainer, report says*. Maine Public. <https://www.mainepublic.org/business-and-economy/2023-10-10/few-short-term-rentals-could-be-viable-affordable-homes-for-the-average-mainer-report-says>