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**Testimony in Opposition to  
LD 1476 ("An Act to Support Maine's Homeless Shelters by Imposing a Fee for Booking Hotels,  
Short-term Rentals and Recreational Vehicle Camping Reservations")**

**J. Andrew Cashman on behalf of the Maine Association of REALTORS®  
May 2, 2025**

Senator Curry, Representative Gere and members of the Joint Standing Committee on Housing and Economic Development my name is Andy Cashman. I am the Founder of Resolve Government Relations. We represent the Maine Association of REALTORS®, a professional trade association established in 1936 with over 6,500 members statewide. REALTORS® protect private property rights, build Maine communities, and grow our state's economy. Our members represent buyers and sellers involved in both residential and commercial real estate transactions. Our membership also includes industry affiliates, such as lenders, closing agents, title agents, appraisers, building inspectors, surveyors, etc. The Maine Association is chartered by the National Association of REALTORS® (NAR), the largest trade association in the country.

The Maine Association of REALTORS® opposes LD 1476 because it would increase Maine's regulatory burden by imposing additional fees on Maine property owners and businesses. If passed, this bill would impose a \$2 fee on the short-term rental of living quarters - in addition to the sales and lodging taxes and other fees already paid for the renting of these properties.

We have significant concerns about imposing additional fees or taxes on property owners renting their properties for short-term use. Fees targeting owners based on their use of private property goes against the fundamental right of one's ability to acquire, occupy, use and dispose of real property as they choose within the law. As advocates of private property rights, we oppose laws, rules, and regulations that impose restraints and limitations on that right, to include inequitable taxes or fees. The imposition of additional fees or taxes on second homes or rental properties is an unfair tax burden to property owners already subject to separate taxation. Property use fees and increasing small business expenses pose a direct threat to our state's economic sustainability.

If passed, this bill would:

- Combined with other taxes and fees, this bill would exceed the reasonable cost of providing the service for which the fee/tax is charged. Visitors are contributing to the local economy through the use of services. This fee would be passed on to consumers, who are not solely "tourists" or travelers on vacation. Short-term lodging is a proven solution for much needed temporary housing for reasons such as employment contracts or per diem work (such as health care professionals and construction workers), or even some hoping to move to Maine. Temporary housing is often used for many people, including Maine residents, transitioning during a move, a life change or work contract.
- It would increase the burden on Maine businesses and property owners operating to support temporary housing and tourism in Maine. Owners should not be financially penalized for renting their properties, or be expected to subsidize Maine's fiscal needs.



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- Renting property as a business is a means for many Mainers to provide for their families and afford the increasing cost of living in our state. Many Mainers who operate small businesses, such as Bed and Breakfasts, Inns and even Short-Term Rentals (STRs) do so as a livelihood, a means to an end. Short-Term Rental (STRs) operation allows property owners the ability to generate income that enables them to afford to keep their properties, many of which are seasonal-family camps that have been passed down from generation to generation. On average 75% of Maine's second homes are owned by Maine primary residents. For some, STR operations can provide financial stability or a pathway for retirement.
- Rental housing needs are best met through private investment. Targeting short-term lodging providers is not a sustainable solution for Maine's economic stability, nor an equitable balance of tax burden.
- MAR opposes increased fees that would only compound Maine's high tax burden. Higher costs for local small businesses will result in additional costs for Mainers traveling in-state as well as visitors to Maine. Making the cost of doing business more expensive could result in losses to the local economy and even the job market because travelers will choose other places to visit if it becomes cost prohibitive or burdensome to travel in Maine.
- For many rural Maine communities, lodging and STR businesses provide economic stability through local-industry related employment that draws upon Maine's appeal as a year-round outdoor recreational destination. Maine is "Vacationland" and by over-regulation you are limiting one of Maine's top industries that helps to keep our state economically viable. According to the Maine Office of Tourism 2023 Highlights, 2023 visitor spending generated \$16 Billion in economic impact in Maine. The MOT study also showed that visitors to Maine spent just over \$9 Billion in direct contribution to our state through use of accommodations, transportation, groceries, restaurants, shopping, entertainment, and other expenses. Tourism supported 131,000 jobs which is a 5% increase from the year prior.
- Increasing the cost of tourism is not a sustainable solution to Maine's economic stability. Maine is already one of the highest taxed states in the country and ranks among the lowest for jobs and productivity. This bill would ultimately compound those problems. If passed, LD 1476 will deter people and businesses from settling or remaining in Maine over the long term and would negatively impact Maine's economic sustainability.

In closing, MAR remains a strong advocate for housing. Since 1989 the Maine Association of REALTORS® Foundation, has provided \$3.5 million dollars to affordable housing efforts in our state averaging approximately \$200,000 annually for housing programs or individuals' not served by other funding sources. We support the efforts of the public and private sector to meet the needs of housing in Maine, to include measures to combat homelessness, however continued taxation and regulation on the use of private property rights is not the right solution for Maine. This bill challenges private property use and restricts growth opportunities for Maine residents and small businesses.

For these reasons, we strongly urge the vote Ought Not to Pass on LD 1476. Thank you for your time and consideration.