

Mayor and Council Offices

Mark Dion

Mayor

May 2, 2025



Testimony of Mayor of the City of Portland, Mark Dion

Before

The Committee on Housing and Economic Development

In Support of

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

May 2, 2025

Senator Curry, Representative Gere, and esteemed members of the Committee on Housing and Economic development, on behalf of the City of Portland, I express support for LD 1476, which proposes a modest fee on lodging bookings, including hotels, short-term rentals, and recreational vehicle campsites to dedicate revenue for homeless shelters across Maine.

Portland has long served as the statewide leader in sheltering individuals and families experiencing homelessness. As Maine's largest city, Portland operates more shelter beds than any other municipality in Maine and currently bears a disproportionate share of both the financial cost and administrative burden of managing the state's shelter system. The annual cost to operate the three largest shelters in the State is in excess of \$18 million dollars annually. The revenue from this modest fee would help offset the operational costs that are currently passed on to local residents. While we are proud of our commitment to providing emergency shelter and housing-focused services, it is not sustainable for municipalities, particularly a single city, to shoulder this responsibility.

LD 1476 offers a fair, innovative, and fiscally responsible approach to addressing the statewide homelessness crisis by creating a funding mechanism that ties tourism-based revenue to essential services for vulnerable Mainers. Maine's economy benefits significantly from short-term visitors, and it is appropriate to direct a small portion of that economic activity toward addressing the most urgent humanitarian needs within our communities.

The City of Portland sees great potential in this proposal to stabilize and expand shelter operations, reduce strain on local taxpayers, and allow municipalities to better meet the growing demand for emergency housing and supportive services. We believe that revenue generated

through this fee could be used strategically to fund not only basic shelter infrastructure but also the upstream services that prevent homelessness and reduce long-term public costs.

As the bill moves forward, we welcome the opportunity to work with legislative partners and state agencies to help shape the structure and distribution of the proposed fund.

We thank the bill's sponsor for bringing forward a creative and much-needed funding tool and respectfully urge the Committee to support LD 1476.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Dion", with a large, sweeping loop at the end.

Mark Dion
Mayor
City of Portland, Maine