

Testimony in Opposition to LD 1476
Joint Standing Committee on Taxation
Submitted by Hannah McLaughlin, Salt & Shine Vacation Rentals

Senator Grohoski, Representative Cloutier, and members of the Joint Standing Committee on Taxation,

My name is Hannah McLaughlin, and I'm the Director of Operations and Owner of Salt & Shine, a family-owned vacation rental and property management company based in York, Maine. We manage a diverse portfolio of homes across York, Ogunquit, Kennebunk, and Wells—supporting local homeowners and welcoming visitors who fuel our seasonal economy.

I'm here today in **opposition to LD 1476**, which would impose a new \$2 per-booking fee on short-term rentals, hotels, and RV campsites.

As a small business owner raising my daughter in southern Maine, I understand the need to support our communities. But this bill places both a financial and psychological burden on the families and small businesses who are already doing everything they can to keep tourism alive in a tightening market.

First, while \$2 may not sound like much, it sends the wrong message to travelers. Maine already has one of the highest lodging tax rates in the nation. Adding another charge—regardless of whether it's called a fee or a tax—makes us less competitive compared to nearby states like New Hampshire and Vermont, where booking a vacation is often more affordable. Guests are already booking shorter stays and shopping aggressively on price.

On top of that, we are seeing a **significant decline in Canadian travel to Maine**, which has historically played a vital role in our seasonal economy. Due to political uncertainty, imposed tariffs, and strained U.S.–Canada relations, Canadian visitation has dropped—particularly among middle-class families who now see the U.S. as a less accessible or more expensive destination. These shifts directly affect border towns and coastal communities that have long relied on Canadian tourism as a cornerstone of their summer revenue.

For example, in Quarter 2 of this year, vacation rental managers across the region have reported a need to lower rates, reduce minimum night stays, and offer discounts just to stay competitive. And as you may know, Maine saw a 3% drop in visitation in 2024—down to 14.8 million visitors. In this context, LD 1476 adds yet another headwind for small operators.

Second, this fee burdens the very people working to create jobs and housing solutions in our communities. Through Salt & Shine, we employ local cleaners, maintenance workers, and tradespeople who rely on a strong tourism season to support their families. While the fee is aimed at guests, the reality is: it will fall on small operators like us—businesses with tight margins, not corporate chains.

We all want to see meaningful progress on homelessness and housing insecurity, but this bill unfairly singles out one sector without offering measurable outcomes or considering more equitable alternatives.

In conclusion, I respectfully urge you to oppose LD 1476. Let's work together on smarter, more balanced ways to fund important programs—without discouraging the very businesses and guests who help keep Maine's economy strong.

Thank you for your time and consideration.

Best,

Hannah McLaughlin

Director of Operations/Owner

Hannah McLaughlin
York, Maine
LD 1476

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