

May 4, 2021

As a resident of Portland, Maine and part-time resident of Boothbay Harbor, Maine, I am writing to express my opposition to LD 1590, increasing taxes on short-term rentals.

There are many reasons why STRs benefit the economy and culture of Maine:

- They provide revenue to the state through the 9% lodging tax (which is already quite high) in addition to income taxes paid on rental income.
- They encourage visitors who want to “live like a local” and get to know locals.
- They give money back to locals instead of just to out-of-state or even international hotel chains.
- They encourage visitors of all budgets.
- They encourage visitors in a variety of neighborhoods, not just the touristy spots.
- Rental income allows owners to put more money into proper upkeep, which benefits the neighborhood.
- STRs allow for safer, more socially distant housing options for travelers still hesitant about traveling in a pandemic.
- STRs allow families of all sizes to have true family vacations without splitting up into various separate hotel rooms.

But beyond these advantages, I would like to point out some “fairness” issues:

- Many owners (such as me) purchased our properties in reliance on the legal ability to rent them out. I could be forced to sell my homes (and yes, they are my homes, not just investment properties) if I could not rent. I am not wealthy but I choose to split my time between two modest properties instead of one large home.
- There is a sense that landlords of STRs are lazy and taking advantage of passive income, which is absolutely not true. I spend many hours each week managing my properties and my guests’ experiences. This is a real job!
- I understand there are some problems with increased STRs, especially in places like Portland. But as a resident who has properly registered my property with the city, I can confidently say that the problem is not STRs

as currently allowed. The problem is lack of enforcement of existing rules. The City of Portland, for example, has not enforced the current rules relating to STRs in my building at 10 Exchange Street. Many people are renting short-term even though they are not primary residents of those units and several have obtained city permits for STRs fraudulently. The City is aware but has not done anything yet to address the problem. Enacting further restrictions would further hurt the honest people while those operating outside the current structure would continue to do so. I will vehemently oppose all further restrictions on STRs until the current restrictions/regulations are actually enforced and we can re-evaluate the situation.

Finally, I would like to say that I wholeheartedly support increased taxes or other well-reasoned initiatives to expand access to affordable housing. But targeting and penalizing specific groups of law-abiding citizens by inhibiting owners' uses of their own properties is not the answer. This is exactly what government is *not* supposed to do—pick on a small group of people just because they feel the majority will go along. Furthermore, these measures will just result in more houses just sitting empty. The wealthy who can afford not to rent will leave second homes unoccupied and the middle class owners who depend on this income and who follow the rules—not to mention visitors—will suffer.

Thank you for your consideration.

Best regards,

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and

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