

## **HB826: Real Property – Taxation of Vacant Property, Certification of Company Representatives, and Short-Term Rentals**

**Sponsored by Delegate Stewart**

**Position: Favorable with Amendments**

**Testimony by Jamie Gregory on behalf of Airbnb, Inc.**

Chair Atterbeary, Vice Chair Wilkins and members of the Committee. Thank you for the opportunity to testify today on behalf of Airbnb.

Since its founding in 2008, Airbnb has been an economic lifeline for many Hosts and an affordable travel option for guests.

- o **44%** of MD hosts in 2022 said they used the money earned to cover needs such as food and other living costs.
- o **42%** said money earned by hosting helped them stay in their home.
- a. **Approximately 800,000 people visited MD by staying with a Host.** Although, stays took place in only seven tenths of 1% of MD homes.
- b. 60% of MD hosts are Female and earned about \$13,000 in additional income.
- c. Over 20% are over 60 years old.

To be clear, Airbnb does not oppose giving the non-charter counties the same authority that the charter counties have to regulate short term rentals.

However, the bill as written establishes a premise that short term rentals are the main driver of affordable housing issues.

Two studies released just this month show that short term rentals do not have a significant impact. The first states that there is no strong correlation between the number of homes used as short-term rentals and rental affordability or vacancy rates ([https://www.airbnb.com/e/ppap\\_au-housinganalysis](https://www.airbnb.com/e/ppap_au-housinganalysis)). The second from the Harvard Business Review, (<https://hbr.org/2024/02/what-does-banning-short-term-rentals-really-accomplish>) states that short term rentals are not the biggest contributor to high rents, especially when it comes to the most vulnerable residents.

**We request an amendment to remove the reference to high intensity use of short-term rentals in areas lacking an adequate supply of affordable housing.**

The second amendment concerns establishing a criterion on whether the short-term rental units are owner occupied. The concern is with limiting a tenants' ability to benefit if they have the property owner's approval. It may be of interest that the VA House of Delegates just passed a bill (HB1461 by Delegate Mundon King) that states that a locality must issue a tenant the same STR permit the locality offers a property owner, if the property owner approves.

**We request that the Committee consider adding similar language to this bill.**

**Also, a cautionary note that the 5th Circuit Court in Louisiana recently ruled that New Orleans' primary residence restriction violated the dormant Commerce clause by discriminating against out-of-state property owners.**

**Infrastructure Constraints:** Occupancy is already regulated by national standards to no more than 2 persons per bedroom which is the same whether the occupants are a growing family, a multi-generational family, college students, young professionals, or short term renters. Local infrastructure and building permits are already based on these standards.

**Number of nights booked:** How will all platforms be required to cooperate? There are now multiple players in the short term rental space.

**Airbnb Housing Council:** In January, the Housing Council was announced that will be chaired by former Baltimore Mayor Stephanie Rawlings Blake and includes some of the most prominent housing advocates in the country, including representatives from the U.S. Conference of Mayors, National League of Cities, National Fair Housing Alliance, National Zoning Atlas, National Housing Conference, YIMBY Action, Up for Growth, the Turner Center for Housing Innovation at UC Berkeley, and the J. Ronald Terwilliger Center for Housing Policy at the Bipartisan Policy Center. The purpose of the Housing Council will be threefold:

- Advise Airbnb on innovative policies, initiatives, and partnerships it can support to help communities grow the supply of new long-term housing,
- Help the company identify new ways it can work with cities on short-term rental policies to better balance the benefits of home sharing with the needs of communities facing housing affordability challenges.
- Inform Airbnb on housing supply and affordability policy frameworks and research.

Again, thank for the opportunity to testify and I look forward to answer your questions.