



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

January 28, 2025

Committee: House Ways & Means

Bill: HB 87 - Short-Term Rentals and Home Amenity Rentals - Taxation, Regulation, and Crimes

Position: Support

Reason for Position:

The Maryland Municipal League (MML) respectfully supports House Bill 87, which provides reasonable safeguards for short-term rentals (“STRs”) to protect the health and safety of both renters and neighbors, and ensure local governments have tools available to balance the availability of STRs with the needs of our communities.

STRs can be challenging for local governments. When properties are frequently rented out on a short-term basis, it may result in more transient populations, less community cohesion, and disruptions to the local economy or social fabric. High concentrations of STRs in residential areas can also lead to overcrowding, excessive noise, parking issues, and general strain on local infrastructure and services (e.g., garbage collection, public transportation, etc.). We also recognize that investors who purchase homes specifically to operate as STRs might drive up property prices, further exacerbating housing affordability issues. In areas where affordable housing is already in short supply, STRs can exacerbate the issue by converting long-term rental properties into short-term vacation units. This reduces the overall number of homes available for residents, particularly those with lower incomes who are reliant on long-term rental options.

However, STRs can have a positive economic benefit for our communities. STRs can attract tourists to a region, providing an economic boost. Travelers who stay in short-term rentals often spend money in the local economy—on restaurants, shops, attractions, transportation, and services. The increased flow of tourists can support local businesses and create jobs. If regulated, short-term rentals could be taxed at a rate that generates revenue for the local government. This income can help us continue to provide essential services or even be reinvested into affordable housing initiatives.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.



Maryland Municipal League

The Association of Maryland's Cities and Towns

The Maryland Municipal League is committed to working with the state to address Maryland's housing shortage. Allowing local governments to pass laws relating to high-intensity use of STRs and assess a transient/hotel tax are useful tools to help local governments balance the economic benefits that short-term rentals can bring with the need to protect long-term residents and ensure there are enough affordable housing options for everyone.

For these reasons, the Maryland Municipal League respectfully requests a favorable report on House Bill 87. For more information, please contact Angelica Bailey Thupari, Director of Advocacy & Public Affairs, at angelicab@mdmunicipal.org or (443) 756-0071. Thank you in advance for your consideration.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.

47 State Circle, Suite 403 Annapolis, Maryland 21401
(410) 295-9100 www.mdmunicipal.org