

March 11, 2024

Members of the Local Government Committee,

I write to you today to express my strong support of the proposed statewide excise tax within House Bill 5438, as well as the accompanying initiatives aimed at establishing a comprehensive registry and empowering local zoning regulations.

The Short-Term Rental Act's allocation of the excise tax is not only equitable but also imperative in addressing the needs of our local communities. By directing the revenue generated from the excise tax back to the municipalities it came from, our communities will be empowered to directly address the unique challenges posed by the short-term rentals within our jurisdictions. Consequently, local governments, being best positioned to understand the specific needs and concerns of our communities, can make targeted investments in infrastructure, public services, and safety measures. Additionally, providing resources at the local level enhances our ability to manage and regulate the short-term rental industry effectively, ensuring that the benefits of tourism and economic activity are balanced with the preservation of our neighborhoods' integrity and quality of life. Ultimately, allocating funds to local units of government empowers communities to shape our own futures and ensure the well-being of our residents for generations to come.

Furthermore, the establishment of a comprehensive short-term rental registry and database is paramount in providing vital support to our local enforcement efforts. By preventing fraudulent activities and promoting transparency and accountability within the short-term rental sector, the registry will significantly enhance our ability to safeguard the interests of our residents and uphold the integrity of our neighborhoods.

In addition, empowering localities to enact and enforce zoning regulations tailored to our unique needs and community desires is fundamental in preserving the character of our towns and cities. By allowing us to safeguard public health, safety, and welfare, determine appropriate usage of units for short-term rentals, and establish a process for permit revocation, this legislation enables us to address the specific challenges posed by short-term rentals in a manner that respects the autonomy and concerns of our local communities.

I humbly urge you to consider the critical importance of these initiatives in ensuring the vitality and sustainability of our local communities. The proposed excise tax, coupled with the establishment of a comprehensive registry and empowering local zoning regulations, represents a balanced and necessary approach to addressing the complex challenges posed by the short-term rental industry.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Hannon", is written over the typed name.

Michelle Hannon  
New Buffalo Township Clerk