

From: Laura Chadwick <lchadwick@traveltech.org>
Sent: Thursday, March 28, 2024 9:57 AM
To: Christopher Wardell <CWardell@house.mi.gov>
Subject: Travel Tech Opposition to House Bill 5438

Dear Chair Fitzgerald, Vice Chairs Byrnes and Zorn, and members of the House Local Government and Municipal Finance Committee:

On behalf of the Travel Technology Association (Travel Tech) and our members, I submit these comments in opposition to Michigan HB 5438.

Travel Tech advocates for public policy that promotes market transparency and competition to encourage innovation and preserve consumer choice. Our members include innovators in travel technology, including online travel agencies, metasearch engines, short-term rental platforms, global distribution systems, and travel management companies.

While our members are always willing to work with cities and towns to develop reasonable and enforceable short-term rental regulations, some provisions of HB 5438 raise serious legal and practical concerns. For example, various provisions of this legislation violate the federal Communications Decency Act, 47 U.S.C. § 230 ("CDA") because they would impose liability on short-term rental platforms for publishing third-party content. Specifically, HB 5438 would prohibit platforms from facilitating a booking transaction for a listing that is not currently and validly registered with the state Dept. of Licensing and Regulatory Affairs. However, Section 230 of the CDA prohibits state and local governments from holding platforms responsible for the acts of others.

In light of these issues, Travel Tech strongly urges you to remove these requirements and continue to consult with our members and other stakeholders on developing reasonable regulations for the industry.

Many Thanks,

Laura

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