



April 29, 2019

Local Government and Municipal Finance Committee
Anderson House Office Building
124 North Capitol Avenue
Lansing MI, 48933

Dear Chairman Lower and Members of the Local Government and Municipal Finance Committee,

My name is Matthew Kiessling and I serve as the Vice President of State and Local Affairs for the Travel Technology Association (**Travel Tech**). My organization represents short-term rental platforms like AirBnB, Booking.com, HomeAway, TripAdvisor Vacation Rentals and VRBO. On behalf of Travel Tech and its members, I offer this testimony in support of House Bill 4046.

Travel Tech supports formal regulations that legalize all types of short-term rentals, and believes it is essential to recognize their crucial role as an accommodations option for travelers. As with any new and growing industry, states should establish regulations that make sense for residents, while simultaneously acknowledging the valuable contributions of short-term rental accommodations.

As innovative and transformational to travel as our members' short-term rental platforms have been, it is important not to overlook that their growth in popularity among travelers is being driven by consumer demand. Increasingly, this is how people want to stay when they travel.

Throughout Michigan, homeowners and short-term rental operators, hosts, and property managers all offer residential accommodations to travelers and their families. As a result, travelers looking for that authentic and special experience are able to choose short-term rentals for their stay. This accommodations option often allows them to book longer stays, which result in increased economic benefits to both the state and the local communities in which they are located. In fact, studies prove that travelers staying in short-term rentals tend to stay longer and spend more money during their visit. In short, if the communities you represent benefit from the travel and tourism economy, then there is little doubt that enacting policies that make short-term rentals available to travelers is in the best interest of your constituents. Without them, travelers will simply find somewhere else to visit.

The ability to select a short-term rental for a long weekend or mid-week stay is often a factor in determining how certain segments of the travel population pick a destination. Some, such as larger or extended families gathering in one place, travelers on a budget, or parents traveling with multiple children or those with special needs, often select their



coded as such, a short-term rental could be occupied by its resident owners this week, rented by a family over a week or two in the summer, and then go back to being a full-time residence again just a day or two later. That flexibility is part of what makes short-term rentals so popular among those opening their homes to travelers, as well as those seeking short-term rental accommodations. Short-term rentals are without question, a residential use, and enjoy this flexibility under the law. Attempts to commercialize or redefine short-term rentals are tantamount to a ban and would severely restrict the availability of this accommodations option for Michigan travelers.

With respect to local government, the legislation does ensure municipalities have the power to determine the details for regulating short-term rentals themselves. Localities best understand the needs of their communities and can most effectively establish rules regarding local registration or permitting and pertaining to health and safety, noise, parking, traffic control and sanitation. To maximize compliance, it is critical that those permitting and registration processes are simple, affordable, and easy to navigate, allowing owners and hosts to legally list their property in a timely manner, while at the same time ensuring municipalities have the ability to preserve and protect their communities.

With all of this in mind, Travel Tech strongly supports and encourages the passage House Bill 4046. It is a win for all stakeholders-the state, local communities, travelers, and property owners. We welcome the opportunity to work with your committee and we urge you to support the passage of this important legislation.

Sincerely,

Matthew Kiessling
Vice President, Short-term Rental Policy
The Travel Technology Association
www.traveltech.org