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Subject: S. 204 Short-term rentals

Chairman Helen Head —

We became aware just this morning that S. 204 is in your committee. As Vermonters affected by this type of legislation, we wish to communicate our thoughts.

Like many Vermonters, we occasionally rent our downstairs apartment to visitors: skiers, family vacationers, tourists and others who enjoy our Green Mountain State. We have been doing this for more than 20 years. During that time we have contributed tens of thousands of dollars in property, sales, and rooms and meals taxes to the State. Our guests give our place good reviews and many come back year after year. Now that we are retired, the income from these rentals is very important to us.

In researching the background of S. 204 (and the similar H. 685 and H. 815) we have discovered that they are part of a national war between the American Hotel and Lodging Association and the online rental agencies such as AirBnB and Vacation Rental by Owner. We seem to be caught in the crossfire of this war, and hope that this new legislation does not harm our little business.

The AHLA, which represents the large national and international hotel chains, promotes model legislation that would make it impossible for us to continue these rentals, by forcing us to comply with health and safety rules designed for large hotels, and to pay disproportionate new taxes and fees. They see us as competitors, and would prefer that we cease to operate.

The recent effort by the big hoteliers has been spurred by the growing awareness of our type of business spread through on-line platforms such as AirBnB and Vacation Rental by Owner, which has indeed increased competition in the lodging business and made it easier to find and rent places like ours — and cut into the hotels' business.

While we list our rental with AirBnB, VRBO, and Booking.com, we get very little business through them. Most of our renters come through our own web site or by word-of-mouth.

The three bills introduced in the State House match AHLA's national legislative agenda. S. 204 flew through the Senate before we were ware of it, and so were unable to make our thoughts known in that chamber.

We have no objection to registration, taxation, or regulation of what we do. We pay Vermont property tax, sales, tax, and rooms and meals tax as required by law, and have been doing so for more than 20 years, since we started renting. Our septic system and recently-renovated home meet all the required codes. We serve no meals to our guests. Yet we screen every one of them carefully, checking out their background, talking extensively with them, and meeting most of them on-site. This is our home, and we want to make sure our guests are respectful and compatible. We have received no complaints from neighbors or from the town.

We do object to laws designed to stifle small business, aimed at restricting competition, and passed in a hurry with little notice to concerned citizens.

Were you to ask us our opinion of S. 204 and its cousins, we would:

1. Question the provenance of the proposal: was this a response to the pressing needs of Vermonters, or part of a well-financed campaign from a large national industry group?
2. Question the need to further regulate and tax small enterprises like ours, which have contributed to the local economy, provided a modest income that has allowed us to live here, and engendered few complaints.
3. Suggest that proper enforcement of current laws and regulations would suffice to end any tax-avoidance or unsanitary conditions in rental properties.
4. Suggest that any new taxes or fees for the registration or of short-term rental properties apply equitably to all rental properties: long-term, short-term, hotels and so forth on a per-unit or per-revenue basis. So if I must pay a fee of \$100 to register my rental unit, then the Fairfield Inn in Waterbury should also pay \$100 per unit, and so forth. That would be a level playing field.
5. Question the urgency of this measure. Why now? Why so quickly? With so many other important matters to be dealt with, why not take the time to fully discuss and deliberate this new regulation?

Thank you for your consideration of our thoughts.