



Registration and Self-Certification for Unlicensed Short-Term Rentals Testimony
Ronda Berns, Vice President of Tourism, Vermont Chamber of Commerce
Senate Economic Development, Housing and General Affairs Committee- February 7, 2018

The Vermont Chamber is a statewide organization that represents nearly 1,500 members with about half of them in the tourism industry. We are also the official state partner of the American Hotel Lodging Association (AHLA); our understanding and knowledge of the lodging industry is deep and broad.

We support S.204 that would require all current unlicensed and unregulated short-term rentals consisting of one - and two-bedroom home shares and whole unit home and vacation rentals to be registered, licensed and self-certified with the existing lodging, health and safety rules and be appropriately insured.

The lodging industry has always welcomed competition on a level and legal playing field. Competition thrives when everyone plays by the same set of rules. Home sharing has been around for decades and was the catalyst for the B&B and inn industry in Vermont. We have always supported the rights of property owners to occasionally rent their homes to earn extra income. However we now are seeing that the real face of short-term rentals like Airbnb are not occasional renters but also unregulated commercial operators that are running multi-unit, full time lodging businesses. These commercial operators using sites like Airbnb gain an unfair and significant competitive advantage by running multi-unit, full time lodging business without oversight and are not complying with long established public health, safety and zoning rules, or paying required taxes.

In 2016, according to Airbnb, Vermonters earned more than \$17 million through 3000 Airbnb hosts from 140,000 guests and claimed that the average number of nights is about 23 per year with an average length of stay of 2.6 nights. The State and Airbnb signed a voluntary agreement in 2016 to collect the State's 9% rooms and meals tax and remit it to the State quarterly. We supported this action because it begins to create a level playing field among lodging establishments regardless of size.

Today however, it is estimated at there are 10-12,000 short-term rentals in Vermont. If there are 3000 units with Airbnb that are confirmed to be collecting state and local taxes, two thirds of the short term rentals in our state are unregulated and may or may not be paying the required taxes.

To not require unlicensed short-term rentals with one and two rooms or vacation rentals to be in compliance with the current health and safety, sanitation and fire laws creates a financial disadvantage for those licensed businesses following the laws of the State and who are continually required to make the necessary updates to their properties. In addition, these exempt venues could potentially be an unsafe environment for Vermont's visitors and a major liability for the hosts.

The Vermont Chamber supports a state registration and certificate of compliance for all unlicensed and unregulated short-term rentals under the current definition of one and two bedroom home shares and whole unit home and vacation rentals to be registered, licensed and submit a self-certification of compliance with the existing lodging, health and safety rules and be appropriately insured.

Sincerely,

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