

November 16, 2018

The Honorable Muriel Bowser  
Executive Office of the Mayor  
1350 Pennsylvania Avenue NW  
Washington, DC 20004

Dear Mayor Bowser:

The organizations listed below write to respectfully request that you veto B22-92 - the Short-Term Rental Regulation and Affordable Housing Protection Act. Our groups employ dozens of District residents and have members who operate businesses in the nation's capital. We made good faith efforts to work with the District of Columbia Council to reach a compromise and amend the bill, but ultimately the Council elected to pass a burdensome and costly piece of legislation. We believe that the only prudent course of action would be to veto the bill and begin new negotiations on a fair regulatory framework for short-term rentals in the District.

The District cannot afford to implement this bill. The most recent Fiscal Impact Statement puts the price tag for implementation and enforcement at \$104.1 million. It is our understanding, based on the Fiscal Impact Statement, that the District does not have that level of funding available. Even if sufficient funds were to be found, that money would be better spent on priorities that matter to D.C. residents, such as safety, healthcare, and schools.

The \$104.1 million price tag does not capture the full cost of this bill. By denying many District residents the ability to rent out their homes, the Council is eliminating an important supplemental income stream for homeowners. It would also take away a key income source for many local businesses. **If enacted, B22-92 would force the Department of Zoning to shut down nearly all existing short-term rentals.** That means that visitors would no longer have viable lodging options in all of the District's eight wards. Short term rentals in D.C. neighborhoods encourage visitors to support local restaurants in Petworth, or breweries near Ivy City, or shops near Trinidad rather than just to a handful of businesses nearby hotels in DC's downtown core.

Washington, DC has the fourth-highest hotel rates in the nation, meaning that a hotel stay in the city is not an option for many visitors. This problem would be made worse without the presence of short-term rentals. The big hotel chains see short-term rentals as competition that constrains them from raising room rates even higher. For instance, LaSalle Hotel Properties' CEO told investors that a law curtailing short-term rental services would allow hotels to boost their prices by eliminating competition. That explains why the nation's largest hotel chains recently announced they will spend half a million dollars to get the city to pass this ordinance.

**Extreme restrictions on short-term rentals are not only bad local policy but are also bad business policy.** It sends a message that DC is not open to innovative businesses and is not a place for the technology sector to invest in. As champions for the travel and technology sectors, we have taken pride in fostering the District's reputation as an innovative and entrepreneurial leader. We are wholly committed to improving the well-being of Washingtonians, small-business owners, visitors, students, veterans, and more in the city through technological solutions.

With your leadership, DC has taken concerted actions to position itself as a cultural center for business and creativity, and allowing residents to open their homes through digital platforms like Airbnb, HomeAway and VRBO to travelers enables that welcoming reputation to continue. **The passage of B22-92 is an alarming threat to the city's exceptional standing for innovation. The DC-area reputation has lured one of the largest tech companies to open a new HQ in our backyard. This anti-innovation approach is a big step backward.**

On these grounds, we urge you to swiftly veto B22-92, the Short-Term Rental Regulation and Affordable Housing Protection Act. We, along with our member companies, look forward to working with you to ensure that Washington, DC continues to be a leading destination for visitors, entrepreneurs, and innovative technologies in all eight wards.

Sincerely,

Consumer Technology Association  
Internet Association  
NetChoice  
TravelTech

Consumer  
Technology  
Association™



Internet Association

NetChoice

TRAVEL  TECH