

NetChoice *Promoting Convenience, Choice, and Commerce on The Net*

Carl Szabo, Senior Policy Counsel

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September 3, 2016

RE: **Opposition to "Metropolitan Code pertaining to the maximum occupancy of Short Term Rental Property"**

Dear Vice-Mayor David Briley and the Nashville Metropolitan Council:

Nashville is a national leader on Short-Term Rentals (STR). However, we oppose Bill No. BL2016-375's (Bill 375) implementation of arbitrary limits on the number of people able to stay in an STR.

Short-term rental services provide needed income to hundreds of your constituents. Over 52 percent of hosts nationwide live in low-to-moderate income households. More than 48 percent of the income hosts earn from short-term rental services is used to cover their household expenses.

Consider, for example, a resident who does not want to stay in Nashville for the Music City July 4th event. Short-term rental services give these residents the option to share their homes and use that revenue for a vacation out of town.

But adoption of Bill 375 just makes it harder for your residents to enjoy the benefits of short-term rental services.

Creating arbitrary limits undermines STR use and home-owner freedoms

Bill 375 limits licensing the number of non-related individuals in an STR to only 3 people. This is so limiting that 2 families couldn't stay in the same STR. This would certainly undermine the ability of friends from organizing reunion trips to Nashville and might encourage them to look elsewhere for their travel.

At the same time, such arbitrary restrictions undermine a core tenant of home-ownership, the ability to control one's own home. While we support reasonable restrictions on STRs, the unduly burdensome restrictions in Bill 375 go too far.

Depress compliance with Nashville's existing STR regulations

We've seen high compliance rates in Nashville through its reasonable registration and regulation for short-term rentals. By achieving this great level of compliance, Nashville enjoys a more reliable source of tax revenue from registered home owners.

Unfortunately, Bill 375 is overly restrictive and could depress compliance. Moreover, it will not prevent the presence of short-term rentals in Nashville -- but would merely send them underground. This means less tax revenue for the city and less oversight of short-term rental activity.

We ask that you not deny your constituents the right to earn extra money by sharing their homes. We hope that any STR policies should be developed through an open and transparent dialogue among policymakers, industry stakeholders, property owners, and the public.

So while we ask that you not adopt Bill 375, we welcome the opportunity to work with you on reasonable regulations that allow all to prosper.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carl Szabo".

Carl Szabo

Senior Policy Counsel, NetChoice

NetChoice is a trade association of e-Commerce and online businesses. www.netchoice.org