

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

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Montgomery County Council  
100 Maryland Avenue, 5th Floor  
Rockville, MD 20850

March 8, 2016

RE: **Support of Bill 2-16, Transient Housing Licensing and Registration**

Dear Councilmembers,

As a trade association focused on economic innovation and as a Rockville home-owner, we ask that you vote Yes on Bill 2-16 as it will provide economic flexibility to the residents of Bethesda, Gaithersburg, Germantown, Olney and everywhere else in the county.

At the same time, we ask that you amend Bill 2-16 to allow all Montgomery County homeowners the right to obtain these home-sharing licenses by removing the provision requiring the rental dwelling to be the primary residence of the licensee. This would allow my neighbors, who spend a majority of their time in a house closer to their children, or my parents trying to sell their Chevy Chase condo, to earn supplemental revenue. At the same time allowing all home owners to obtain a license would bring more visitors to Montgomery County who then visit our retail shops and restaurants.

With its central location to the historic cities of Washington, DC and Baltimore, Montgomery County has consistently maintained a vibrant real estate market and a robust business travel and tourist economy.

The converging of expensive home prices and high real estate taxes with visitor demand makes Montgomery County an ideal locale for home-sharing – a way for homeowners to earn additional revenue through the home-sharing of their properties. Nationwide, home-sharing has enabled homeowners to offset costs and provided travelers with additional lodging choices that could be more convenient and cost effective than hotels – pumping more money into local economies.

Home-sharing services provide necessary 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 through certain home-sharing is used to cover household expenses.

Consider, for example, families taking their children to NIH or those coming into town to meet with companies along the I-270 Tech Corridor. By adopting this bill, these visitors have additional options to stay in Montgomery County neighborhoods and residents have additional ways to supplement their income. At the same time, visitors spend money with Montgomery County businesses and contribute to Montgomery County tax revenue.

The proposed legislation takes a thoughtful approach to home-sharing by creating a registration process used by other cities across the country<sup>1</sup> and would benefit all Montgomery County residents.

Registration fees paid by home owners would offset costs. The county would enjoy easier oversight, compliance, and tax collection. Registration would also ensure the home-sharing boon to homeowners and visitors also

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<sup>1</sup> There is success adoption of this licensing in Palm Desert, CA and Nashville, TN

benefits non-participating residents through revenue collection that is funneled back into the local economy and Montgomery County projects.

Bill 2-16 has strict home-sharing regulations and compliance measures addressing “nuisance concerns.” The legislation forbids homeowners from sharing their homes with more than five non-familial members. The duration for each rental is limited to 30 days. Strict licensing requirements and enforcement ensure that owners ignoring the rules are stripped of their home-sharing permits.

This bill enables homeowner associations to enforce existing laws and the freedom to decide whether to increase the monitoring and reporting non-compliant permit holders – choices which are best left to those residents to determine what is right for their local communities.

Often complaints about home-sharing come in the form of anecdotal stories about public nuisances. But outlawing home-sharing is not the answer. No additional laws or ordinances are necessary for dealing with neighborhood or nuisance issues. Like any nuisance issue, whether caused by the property owner, their friend staying over, or home-sharing visitors, existing laws address the problem.

We ask that you embrace home-sharing and take the logical step to legalize and license this practice. We ask that you not deny your constituents the right to share their homes and make extra money.

So we ask that you amend and adopt Bill 2-16 so that all Montgomery County homeowners and residents enjoy the benefits of the home-sharing economy.

Sincerely,



Carl Szabo

Policy Counsel, NetChoice

*NetChoice is a trade association of e-Commerce and online businesses. [www.netchoice.org](http://www.netchoice.org)*