

Dear Chairman Abney:

On behalf of the Rhode Island Short Term Rental Association, I write in opposition to H7225--Governor's Budget Amendment #13.

I offer the following for your consideration.

First, we firmly believe that the House Commission to Study the Effects of Short Term Rentals should conclude its work before any meaningful legislation is passed this year. We are honored to have representation on this commission, and it has been highly informative and collaborative, but much more work is required to affect meaningful reform.

Second, we categorically reject any representation that short term rentals contribute to the housing crisis or homelessness in Rhode Island. There are approximately 5,000 STRs registered with the state, approximately 600-800 of those are simply a room in an otherwise occupied house. Additionally, there are *hundreds* of hotel rooms and *entire hotels* registered with the state as short term rentals.

If you consider that there are approximately 480,000 housing units in R.I., entire home STRs make up less than one percent of available housing. Many of these entire homes are primary residences that are rented out for just a small part of the year.

Moreover, none of the recent housing studies completed in R.I. show any demonstrable impact of STRs on housing. Those studies include the 2023 Housing FactBook by Housing Works RI at Roger Williams University, The Rhode Island 2023 Integrated Housing Report submitted by the RI Department of Housing. More generally The State of The Nation's Housing 2023 from the Joint Center for Housing Studies of Harvard University also does not mention short term rentals once as any cause or solution to the housing crisis.

Instead, most housing planners and experts all conclude that the overarching culprit of our housing crisis is lack of supply, production, and historically low building permit activity. This is supported by housing legislation put forward by Speaker Shekarchi for the past two sessions.

Existing taxes and fees are already passed on to guests - many of whom are your fellow Rhode Islanders enjoying a weeklong summer vacation. Increased taxing has the potential to render Rhode Island uncompetitive with other destinations, further impacting our tourism economy. Additionally, there is confusion on where this money will go as there have been discussions of the possible tax going to tourism or a greater share to municipalities.

It's important that members of the House Committee on Finance understand that many of these STR homes have been in families for generations. They are rented on average just 40 nights per year and generate an average income of \$15,000 annually for these homeowners. It is crucial to preserve and protect the current rights we have as homeowners in Rhode Island.

We urge you to delay any new taxes or legislation until the House Commission concludes its work.

Thank you.

On behalf of our members  
Greer Gagnier  
Executive Director  
RISTRA