Vacation Rental Management Association 2020 PUBLIC POLICY AGENDA
About the Vacation Rental Management Association

Founded in 1985, the Vacation Rental Management Association (VRMA) is a professional trade association of the vacation rental property management and hospitality industries. Headquartered in the U.S., membership includes professional vacation rental manager and vendor/supplier members in more than two dozen countries.

VRMA advances the vacation rental industry by providing invaluable educational and networking opportunities, promoting the value of the vacation rental experience, and speaking as the authoritative voice to foster professionalism and growth in the industry.
Dear Policymakers:

Worldwide, the vacation rental industry is facing regulatory challenges at every level of government. You can attribute the increasing attention to several factors, including the strong sustained growth of the travel and tourism industry, increasing demand by consumers for short-term rentals as a form of accommodation, and innovations in the online travel marketplace.

The vacation rental industry has grown to be over $160 billion globally and an estimated $41 billion in the U.S. The industry is driving economic growth in communities both large and small across the world. There are an estimated 10 properties per employee involved in the management of a professionally managed property. In addition, there are many external industries affected, including real estate, maintenance, cleaning, construction, and many other services. Even in a small local market, this can have a significant impact on the local economy. However, this is threatened by a growth in unenforceable and often overreaching regulations.

VRMA urges policymakers to acknowledge that there is not a one-size-fits-all regulatory framework for vacation rentals. We agree with the U.S. Conference of Mayors’ that “onerous regulations of short-term rentals can drive the industry underground, thus evading local regulations and local hotel taxes”. VRMA supports regulatory efforts that protect property rights of all homeowners and are fair to all accommodation markets. Clear and concise rules, combined with the fair application of those rules, will create the greatest compliance among operators.

Vacation rentals are contributing to job creation across the world and contribute to strong and stable real estate and job markets. VRMA is committed to creating strong professional standards for our growing industry to ensure that vacation rentals are safe and reliable accommodation options for consumers. In 2018, VRMA unveiled a professional certificate program to educate individuals in professional vacation rental property management. In 2019, VRMA created its company accreditation program, which holds companies to the highest standards of professionalism within the industry. Our efforts to educate and hold industry members accountable is to help safeguard communities by assuring that vacation rentals are a contributing asset to their community.

In our 35 years as an association, we have grown to over 1,000 corporate memberships in over 20 countries. Worldwide, professional property management companies and their supplier network work hard to protect consumers’ health and safety while providing first class hospitality. We look forward to continue working with policymakers to develop policies that assure consumers’ accommodation choices, provides tax revenues, and respects the rights of property owners.

The following document outlines VRMA’s positions toward a host of various policies related to short-term rentals and the travel industry. Please feel free to connect with our organization in the future to learn more about professional vacation rental property management and how the policies you discuss affect the industry.

Sincerely,

Toby Babich
President, Vacation Rental Management Association
Short-Term Rentals
Vacation rentals are residential properties purchased for a variety of reasons ranging from future permanent retirement homes to seasonal vacation properties. These homes can revert from a vacation rental property to a full-term rental or owner-occupied home at any time.

The vacation rental market accounts for more than $40 billion in bookings annually in the U.S., and this figure continues to grow.¹

The Vacation Rental Management Association (VRMA) believes that government policies must continue to promote and preserve the value of professionally managed vacation rentals. As the leading organization in the industry, VRMA supports efforts to regulate and standardize rules within the lodging market. VRMA will continue to work with policymakers to support responsible vacation rental policies that promote and preserve the value of rentals. VRMA will work with communities to develop rules that are uniform, easily understood, and are enforceable by regulators.

» VRMA supports the use of fair, justified, proportional and enforceable rules for property owners and managers to follow that are enforceable by the community and ensure the greatest compliance.

» VRMA supports open and transparent permitting processes and fee structures that are equitable and comparable to that of all other residential properties and does not discriminate against or show bias for residency requirements, use, advertising methods, booking platforms, or business models.

Preservation of Property Rights
VRMA understands the capacity communities have to reasonably control the development of property and to ensure the health and safety of its residents and consumers. Communities must balance their powers to regulate with that of the rights of property owners to buy, sell, and rent properties.

Communities also have a statutory obligation to defend property rights through the protection of usability and value. To this end, communities must be cautious of downzoning property, depressing real estate values, and diminishing the economic use of the property.

» VRMA supports and encourages communities to recognize the rights of property owners to rent their primary and secondary homes.

» VRMA believes that legislation that places limitations on the frequency or duration of stay should be done as a last resort and only in cases where it is proven justified and necessary.

Government Fees and Lodging Taxation
Professional vacation rental properties are valuable assets to the communities in which they reside. Vacation rental properties contribute considerable property and lodging taxes. These properties generate significant sales tax and lodging figures due to the longer lengths of stays and higher expenditures in local economies.¹

VRMA member companies collect and remit taxes to states and localities where those taxes are required. In addition, VRMA member companies are supportive of the communities in which they reside, and working cooperatively with local governments to ensure that all professionally managed properties comply with permitting and licensing structures.

» VRMA believes that, where required, vacation rental property owners, are legally responsible for the collection and remittance of clear and concise transient occupancy or lodging taxes, whether they use a professional property manager or not.

» VRMA supports the application of simple license, or registration programs on short-term vacation property rentals.

» Supports and encourages voluntary efforts by professional property managers, online travel agencies (OTA) and other online platforms to assist in occupancy/lodging tax compliance.

¹ 2016 PhocusWright’s A Market Transformed: Private Accommodation in the U.S.
**Land Use and Zoning**

Vacation rental managers respect the duty and obligation for communities to manage land use and development within their boundaries through zoning and other regulatory mechanisms. Managers desire that properties represent to be protected by these same means. VRMA maintains that vacation rental properties are residential in use and be regulated uniformly with other residential structures within the community.

VRMA stands by the need to maintain the residential zoning of a second home property to ensure that the adaptive reuse of the property is maintained. VRMA will work with communities, non-profits and other relevant bodies to provide feedback on land use and zoning that impact vacation rental properties. It is important that code and policy changes provide meaningful benefits and reflect industry best practices.

- VRMA believes that all uses of rental properties are a residential use and the application of rules on vacation rentals should be uniform, simple to follow, justified, proportionate, and enforceable.
- VRMA opposes classifying vacation rental properties as a commercial use by comparing them to hotels.

**Limitation to Occupancy**

Vacation rental managers strive to protect the properties they manage by restricting overcrowding to ensure the safety of their guests and the integrity of the structure. VRMA opposes excessive limitations on the number of occupants that may stay in a vacation rental property. Limitations on residential occupancy have historically been discriminatory in nature. There should be a uniform application of occupation limits to similar residential structures. These limitations should be equal to long-term rentals and owner-occupied structures based on the number and size of rooms.

- VRMA supports regulations that place limitations on the number of occupants per unit that are uniform to current rules for other existing residential structures.
- VRMA endorses adopting reasonable standards of occupancy based on recognized uniform building and zoning codes.

**Quality of Life**

Vacation rental managers strive to internally regulate their rentals to ensure that properties are held to the highest standards of the neighborhoods they reside in. VRMA works to communicate with the public that vacation rentals are a positive attribute for the community and stresses the importance of a pristine property and good guests. Vacation rental managers ensure that renters must adhere to codes of conduct and have access to local government officials for any issue that may arise. VRMA is supportive of reasonable quality-of-life ordinances to protect the character of neighborhoods.

- VRMA supports rules that require the posting of local and state quality-of-life laws, including, but not limited to, noise ordinances, trash pickup rules and time, parking restrictions, and other community rules by which all residents must abide.
- VRMA supports the enforcement of noise ordinances that:
  - Maintain uniformity to all residential structures in the community.
  - Do not specifically and unfairly target one particular use of a property.
  - Encourage self-governing rules on parties and other loud situations, such as requirements that notify managers and property owners of incidents on the property.
- VRMA opposes the placement of unenforceable time restrictions on property guests that are not uniform with other residential property uses and hotels, motels and bed and breakfasts.
- VRMA opposes parking regulations that specifically target vacation rental properties and encourages communities to maintain the same parking regulations that are in place for other similar zoned properties.

**Health and Safety**

VRMA and the vacation rental industry understands and values the need to reasonably ensure the safety and health of our guests and homeowners. VRMA seeks to promote best practices to help vacation rental managers adhere to strict health and safety standards to protect consumers. VRMA will work with the legislators, when needed, to reduce the compliance burden on the industry.

- VRMA supports rules that require the posting of local and state safety laws, including, but not limited to, emergency contact information, health notifications, and directions to local emergency and public safety facilities.
- VRMA supports the adherence to reasonable health and safety standards and inspections.
- VRMA opposes health and safety regulations that specifically target vacation rentals and properties create a burden of compliance beyond regulations in place for other similarly zoned properties.

**Economic Impact**

The vacation rental management industry is composed of many small and family-owned businesses that are deeply invested in their communities. Property managers and owners are deeply invested in their community and support community initiatives and local charitable organizations. The industry also supports numerous jobs across different sectors of the economy and is a driver of local business development. Due to the positive economic impact vacation rentals have on a community, VRMA is a strong supporter of the local travel and tourism industry.

- VRMA encourages communities to support the thousands of small businesses that operate and maintain vacation rentals and acknowledge their economic impact.
- VRMA recognizes the positive impacts that short-term vacation rentals have on local communities through taxes, increased economic activity, and promoting the local travel and tourism industry.
- VRMA posits that over-regulation will have a detrimental impact to local and state economies.

**Other Policy Issues**

There are many policy concerns that affect the vacation rental marketplace. These issues can be impactful not only to the operations of a management company and the vacation home, but also to the greater travel and tourism industry. VRMA advocates for sensible regulatory action that ensures a competitive sustainable marketplace.

**Anti-Discrimination**

All individuals should expect fair and equal treatment. VRMA supports local, state, and federal policies that protect individuals based on race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, familial status, national origin, or any other characteristic protected by law.

- VRMA strongly supports local, state, and federal laws to protect individuals’ equal access to housing and employment.
- VRMA supports public and private efforts to reduce discrimination including efforts that limit barriers for individuals to obtain economic security.

**Competitiveness**

The vacation rental management industry is supportive of competition in the travel industry to provide consumers with multiple options. VRMA supports competition in the marketplace and seeks to create diversity in transportation, lodging, entertainment, and other aspects of the travel industry. VRMA believes it is in the best interest of all participants of the travel and tourism industry to support local economies through fair competition.

- VRMA supports transparent and robust competition in the travel and tourism industry to provide consumers with options that suit their preferences and ensure fair pricing.
- VRMA believes in and supports the adoption of transparent fee structures in the travel industry to level the playing field and encourage competition.
VRMA supports consumer protection efforts to curb fraudulent travel sites and property listings.

VRMA encourages communities to embrace the professional vacation rental manager in developing localized consumer protection measures.

VRMA professionalizes the vacation rental industry with first-class education to ensure accurate listings, clean and safe homes, and clear refund and cancellation policies, among many other best practices.

Through the VRMA Vacation Rental Management Certificate Program, VRMA offers a mark of distinction that serves to differentiate vacation rental managers who have acquired the requisite knowledge to professionally operate and manage vacation rental properties.

Professionally managed vacation rental homes are often located in our most beautiful natural places and urban environments. Travelers utilize vacation rental properties to access outdoor activities and explore the culture of a region.

VRMA supports efforts to keep our natural spaces clean and protected for generations through rules to protect and preserve the natural environment.

VRMA supports environmental protection rules that mitigate the risk of natural disasters.

VRMA supports efforts to curb noise, light and other pollution that can negatively affect a community.

State and Federal Taxation

Vacation rentals are supportive of many industries that benefit varied aspects of the economy. The industry supports a balanced approach to taxation that encourages the growth of the secondary home ownership and home rental markets.

VRMA supports the protection of the travel and tourism industry by limiting federal, state, and local efforts to place tax burdens on the backs of visitors to close funding gaps. Taxation policies that do not support the travel and tourism industry will hurt different sectors of the economy and many professions.

VRMA supports state and federal laws that preserve the secondary home tax deductions.

VRMA opposes additional targeted taxation on the travel and tourism industry that discourages consumer spending on leisure and vacation industries and negatively impacts state and local economic activity.

VRMA discerns that vacation rental properties are residential in nature and the property taxes applied to those properties should reflect that designation.

School Calendars

The travel and tourism industries recognize the need for consistency of school start dates and the school calendar. This consistency is important to students, families, and local businesses that rely on the travel and tourism industry. Widespread inconsistencies in start dates can create confusion and detract from families’ abilities to plan summer vacations.

VRMA recognizes and supports states’ abilities to set start and end dates for the school year.

VRMA further supports efforts to reduce volatility from local school boards in setting academic calendars.

VRMA urges policymakers to work with the local travel and tourism industries in their state before significantly altering school calendar policy.

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