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Congress of the United States House of Representatives

Washington, DC 20515

PGLU-22-COMMITTEE ON APPROPRIATIONS SUBCOMMITTEES:

MILITARY CONSTRUCTION, VETERANS AFFAIRS AND RELATED AGENCIES

COMMERCE, JUSTICE, SCIENCE AND RELATED AGENCIES

LEGISLATIVE BRANCH

COMMITTEE ON NATURAL RESOURCES SUBCOMMITTEES: NATIONAL PARKS, FORESTS AND PUBLIC LANDS

WATER, OCEANS AND WILDLIFE

INDIGENOUS PEOPLES OF THE UNITED STATES

Ensure State and Local Community Authority to Address Illegal Vacation Rentals

Dear Colleague:

Is your community one of a multitude throughout our country suffering from the negative effects of illegal vacation rentals? Effects that include unavailability of affordable housing, avoidance of standard consumer protections and loss of state and local government revenue?

If so, please join me as an original cosponsor of the Protecting Local Authority and Neighborhoods (PLAN) Act (bill text attached). This bill would end abusive litigation by internet-based short-term rental platforms attempting to avoid accountability for profiting from illegal rentals and strike down local regulations aimed at curbing this illegal activity and its widespread negative impacts.

Over the past decade-plus, the short-term vacation rental industry has exploded through the internet-based marketing platforms of Airbnb, HomeAway, VRBO, Flipkey and others. While some communities welcome this activity, which is largely conducted in residential neighborhoods, many others are concerned with several negative consequences.

These include the loss of affordable housing as residential units are converted to transient accommodations for tourists, and the failure of many unit owners and rental operators to comply with basic consumer safety, public accommodations and tax requirements as must the legal lodging industry. A survey of related news also makes clear that commercial lodging activity in otherwise residential neighborhoods gives rise to serious community safety and disruption issues.

As a result, from Hawai'i to Maine state and local governments are updating their land use laws to put parameters around short-term rental activity, tailored to reflect local concerns and as always has been the case with land use regulation. However, the short-term rental online platforms have repeatedly gone to court to strike down these laws, claiming Section 230 of the federal Communications Decency Act (CDA 230) preempts local efforts to stop the listing and booking of illegal rentals by these platforms. They have sued cities large and small – including New York City, Boston, Miami, Anaheim, San Francisco, Portland, Ore., Chicago, Miami Beach, Palm Beach and Santa Monica – to protect a business model they know relies in large part on concealing the illegal activity of their third-party operators.

The PLAN Act would amend CDA 230 to make clear the statute does not shield platforms when they facilitate illegal rental bookings. Platforms would also be accountable if they fail to stop

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booking rentals after receiving notice from a private property owner that short-term rentals are prohibited at that location.

This is a narrow, targeted change to the statute to ensure short-term rental companies and internet platforms comply with state and local planning, zoning, rental, labor and tax laws and end their abusive stretching of CDA 230's original intent. State attorneys general, mayors, and local officials have called for similar updates to CDA 230 to enable them to uphold their local laws and protect citizens living and working in their communities.

Please join me in calling for increased accountability for powerful internet platforms abusing CDA 230 and profiting from illegal activity by supporting the PLAN Act. For more information or to be added as a cosponsor, please contact Anthony Ching in my office at <u>anthony.ching@mail.house.gov</u> or 5-2726.

Sincerely,

Ed Case

Ed Case Member of Congress

(Original Signature of Member)

116TH CONGRESS 1st Session

To amend the Communications Act of 1934 to ensure the ability to enforce State and local law relating to leasing and renting of real property, and for other purposes.

H.R.

IN THE HOUSE OF REPRESENTATIVES

Mr. CASE introduced the following bill; which was referred to the Committee on

A BILL

- To amend the Communications Act of 1934 to ensure the ability to enforce State and local law relating to leasing and renting of real property, and for other purposes.
 - 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

- 4 This Act may be cited as the "Protecting Local Au-
- 5 thority and Neighborhoods Act" or the "PLAN Act".

SEC. 2. ENSURING ABILITY TO ENFORCE STATE AND LOCAL LAW RELATING TO LEASING AND RENTING OF REAL PROPERTY.

4 (a) NO EFFECT OF COMMUNICATIONS LAW ON 5 CLAIMS REGARDING LEASE OR RENTAL OF REAL PROP-6 ERTY.—Section 230(c) of the Communications Act of 7 1934 (47 U.S.C. 230(c)) is amended by adding at the end 8 the following:

9 "(3) NO EFFECT ON CLAIMS REGARDING LEASE 10 OR RENTAL OF REAL PROPERTY.—Paragraph (1) 11 shall not apply to any claim in a civil action under 12 State law asserted after the date of the enactment 13 of this paragraph against a provider of an inter-14 active computer service if—

"(A) the claimant alleges such provider facilitated the lease or rental of real property in
a circumstance in which a law or contractual
agreement restricts such lease or rental;

19 "(B) the claimant provides written notice20 of the alleged violation to such provider; and

21 "(C) such provider fails to cure the alleged
22 violation within 30 days after the date on which
23 such provider receives such notice.".

(b) NO EFFECT OF COMMUNICATIONS LAW ON REAL
PROPERTY LEASING OR RENTAL REQUIREMENTS AND
PROTECTION OF PROPERTY RIGHTS.—Section 230(e) of

the Communications Act of 1934 (47 U.S.C. 230(e)) is
 amended by adding at the end the following:

3	"(6) NO EFFECT ON REAL PROPERTY LEASING
4	OR RENTAL REQUIREMENTS AND PROTECTION OF
5	PROPERTY RIGHTS.—Nothing in this section (other
6	than subsection (c)(2)(Λ)) shall be construed to pre-
7	vent any State or unit of local government from en-
8	forcing a law that restricts any provider of an inter-
9	active computer service from facilitating the lease or
10	rental of real property.".