



TEXAS MUNICIPAL LEAGUE
Empowering Texas cities to serve their citizens

President **David Rutledge**, Mayor, Bridge City
Executive Director **Bennett Sandlin**

April 19, 2023

The Honorable DeWayne Burns
Chairman, Texas House Land and Natural Resources Committee
Texas House of Representatives
P.O. Box 2910
Austin, TX 78768-2910

Dear Chairman Burns,

I am writing on behalf of the Texas Municipal League in opposition to **H.B. 2665** by **Representative Gates**. We understand the author's intent to create a task force to study local short-term rental laws. But as currently drafted, the bill doesn't ensure the task force includes representation of those most directly affected by short-term rentals. And perhaps most glaringly, the proposed study is seemingly designed to justify the pre-determined conclusion that the state should preempt local short-term rental regulations.

We believe the bill should include clarification that certain affected parties must be included on the task force. The perspective of the people who actually use short-term rentals is an essential component of any study of this issue. Additionally, those living around short-term rentals every day have a valuable perspective on the impact of short term rentals on neighborhoods. There are countless examples of parties causing parking issues, generating large amounts of trash and debris, and leading to calls for service for noise and other nuisance complaints. Further, local officials are responsible for ensuring that local buildings are safe and for protecting their residents' quality of life. All of these groups represent interested stakeholders that should be included in the membership of the task force.

As currently drafted, the proposed study is skewed heavily toward the pre-determined conclusion that the state should preempt local short-term rental regulations. For example, proposed Section 92.364 of the Property Code would require that the task force legislative report summarize:

(i) local laws impacting short-term rentals; (ii) the economic impact of local laws on the short-term rental industry; (iii) the remittance of state and local taxes by short-term rental owners; and (iv) local registration and reporting requirements.

The bill does not ask the task force to examine or provide information about the impact of short-term rentals on customers, nearby residents and properties, or local government and law enforcement departments. We feel strongly that it should.

Proposed Section 92.364 of the Property Code would also require that the task force provide legislative recommendations regarding:

(i) potential benefits of giving certain regulations impacting short-term rentals statewide applicability; (ii) appropriate protection of local health and safety regulations; and (iii) ways to limit the ability of a local county or municipality to prohibit short-term rentals in their jurisdiction.

These recommendations do not seek a good faith analysis of an effective short-term rental regulatory scheme. Instead, the recommendations seek talking points to justify statewide pre-emption of local short-term rental regulations. If the legislature determines this issue is worthy of study, we ask this committee to ensure that the study provide a full and unbiased accounting of the impact of STRs in Texas.

For these reasons, we respectfully oppose H.B. 2665 and urge the committee to take no action on the bill at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Monty Wynn". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Monty Wynn
Director, Grassroots and Legislative Services
Texas Municipal League