



VRMA Public Policy Guide 2022-23

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About VRMA

The Vacation Rental Management Association (VRMA) advances and advocates for the vacation and holiday rental property management and hospitality industries. Headquartered in the United States, membership includes professional vacation rental managers, owners and suppliers in countries throughout the world—in addition to housekeeping professionals through its partnership with the Vacation Rental Housekeeping Professionals (VRHP). VRMA provides news and research, education and networking opportunities, certification and accreditation, promotes the value of the vacation rental experience and drives industry growth and professionalism.



For travelers seeking ideal accommodations during their vacations and time away from home, vacation rentals have become a trusted source for their stays. They are safe, clean, include amenities not often provided, and give consumers a local taste of their destination not otherwise enjoyed elsewhere. As such, the solution for travelers finding the perfect stay has increasingly become vacation rentals.

In addition to these benefits, vacation rentals also directly and indirectly contribute to local economies through job creation, tax revenue, and boost tourism in the area. It is important to keep these facts in mind when evaluating legislation and regulation that affect vacation rentals because these issues impact more than just the businesses themselves.

The vacation rental industry has grown to over \$160 billion globally and an estimated \$41 billion in the U.S. At the same time, the industry is facing unprecedented regulatory challenges at every level of government, and rules are inconsistent and often unenforceable. It is crucial that elected officials create reasonable regulations that protect communities without putting vacation rentals out of business or, worse, driving them underground, thus evading local regulations and taxes. It is also apparent that a “one size fits all” regulatory framework is not possible. Clear and concise rules, combined with their fair application, will create the greatest compliance among operators.

The Vacation Rental Management Association (VRMA) is in a unique position to help regulators navigate these disparate needs.



**\$160
BILLION**
GLOBAL INDUSTRY

VRMA members include professional vacation rental management and supplier companies representing more than 25,000 individuals located throughout the country. They are focused on protecting and preserving property owners’ assets and creating memorable guest experiences that meet the highest standards.

VRMA members are:



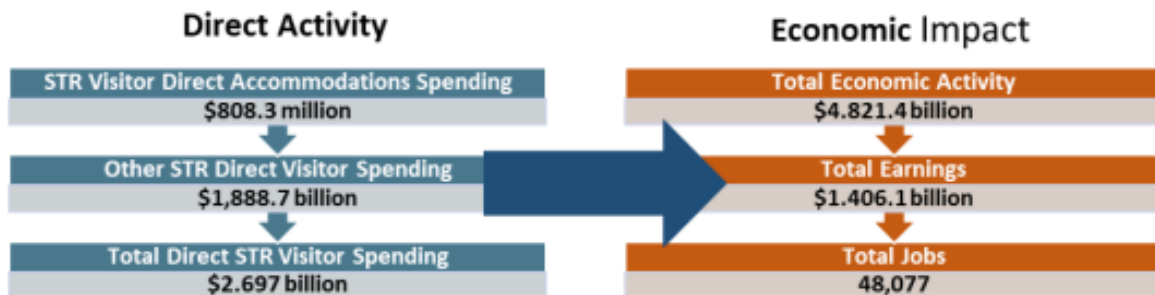
JOB CREATORS

Vacation rentals are managed by professional teams, including home inspectors, housekeepers, marketing and technology specialists, and more, creating jobs in their local economies. Vacation rental managers also support an array of trades and businesses, including builders, plumbers, HVAC technicians, realtors, attorneys, restaurants, and attractions. In a study in Summit County, Colorado, by RRC Associates and the University of Colorado, **29% of all Summit County jobs were supported by vacation rentals.**



REVENUE GENERATORS

Vacation rentals provide occupancy taxes to help balance local budgets and secure funding for vital community services. In a 2021 economic impact study by TXP, Inc., in South Carolina, vacation rentals resulted in direct spending by guests, yielding a **total impact of over \$4.8 billion in economic activity and over \$1.4 billion in annual earnings.**



Source: TXP, Inc.



LOCALLY OWNED AND OPERATED

Professional managers are invested in assuring the quality of life in their communities. This also means having a commitment to the places where they work and live. They **possess local knowledge, including an understanding of local ordinances** and the values of their neighbors.



RELIABLE AND CONSISTENT

Professionally-managed vacation rentals have implemented processes and solutions tested over time that provide guests with a reliable and consistent experience. They also **share a common commitment to assure great guest experiences** while contributing to their communities’ cultural and civic values.

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Property Rights

ABILITY TO RENT

VRMA respects the authority communities have to reasonably control the development of property. At the same time, VRMA believes that communities must balance this authority to regulate with the rights of a property owner to buy, sell, rent, and enjoy the use of their 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 properties.
- VRMA believes 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 backed by data and that deems such restrictions necessary.
- VRMA strongly believes that communities must provide equal protections to all residential properties.

LIMITATIONS ON FREQUENCY, DURATION OF STAY, OR 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. 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 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 endorses reasonable standards or occupancy based on recognized uniform building and zoning codes.

Land Use and Zoning

RESIDENTIAL VS. COMMERCIAL

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. VRMA maintains that vacation rental properties are residential in use and should 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. Code and policy changes must provide meaningful benefits and reflect industry best practices.

- VRMA believes that all uses of rental properties are 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 commercial use by comparing them to hotels.
- VRMA opposes health and safety regulations that specifically target vacation rental properties and create a burden of compliance beyond regulations in place for similarly zoned properties.
- VRMA opposes parking regulations that specifically target short-term vacation rental properties and encourages communities to maintain the same parking regulations that are 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 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.

Tax Policy

LODGING TAXES

Vacation rental properties are valuable assets to the communities in which they reside and 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 within local economies.

Vacation rental managers are committed to collecting and remitting taxes to states and localities where those taxes are required, and are supportive of the communities in which they reside, working cooperatively with local governments to ensure that all vacation rental 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 and encourages voluntary efforts by property managers, online travel agencies (OTA), and other online platforms to assist in occupancy or lodging tax compliance. VRMA also encourages governments to carefully consider the adoption of voluntary collection agreements on local property managers and connected parties.
- VRMA supports localities accepting online remittance of lodging taxes.
- VRMA encourages taxation parity among all hospitality sectors. Additional taxes should not be placed on vacation rentals that ultimately place the burden on the customer. All members of the hospitality sector should be held accountable for remittance of all required taxes.

STATE AND LOCAL TAXES

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 homeownership 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 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 and the property taxes applied to those properties should reflect that designation.

Compliance and Enforcement

VRMA strives to proactively work with policymakers to identify the challenges facing local communities, and support implementation of responsible rental policies that promote a balanced set of rules that meets community needs and preserves the value of the rentals. VRMA believes that government policies must continue to promote and preserve the value of the professional vacation rental industry. As the leading organization in the industry, VRMA supports efforts to regulate and standardize rules within the lodging market. VRMA will work with communities to develop rules that are uniform, easily understood, and are enforceable by local regulatory agencies.

- VRMA supports the use of fair data and research-based, proportional, and enforceable rules for property owners and managers to adhere to in order to ensure professional and respectful operations.
- VRMA supports open and transparent permitting processes and fee structures that are equitable and comparable to that of all other residential properties and do not discriminate against or show bias for residency requirements, use, advertising methods, booking platforms, or business models.



- VRMA supports the creation of industry standards and accreditation to encourage professionalism and consistency of vacation rental property management.
- VRMA supports the application of simple and accessible online registration programs for short-term vacation property rentals.
- VRMA supports rules that require a local contact to ensure compliance with local regulation.

Consumer Protection and Competitiveness

PROFESSIONALISM

VRMA members strive for professionalism within the industry. Professional vacation rental management companies are those that are taxpaying, local, and consistent. Professionally-managed vacation rentals are safe and reliable travel accommodations. VRMA works to educate vacation rental managers on industry best practices to protect consumers. Efforts include working with industry partners to safeguard consumers from fraudulent travel websites and property listings.

- VRMA supports consumer protection efforts to curb fraudulent travel sites and property listings.
- VRMA encourages communities to embrace professional vacation rental management standards and best practices to develop localized consumer protection measures.
- VRMA professionalizes the vacation rental industry with first-class education to ensure accurate listings, clean and safe homes, clear refund and cancellation policies, and more.

HOSPITALITY AND ALTERNATIVE ACCOMMODATIONS

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.

HEALTH AND SAFETY STANDARDS

VRMA and the vacation rental industry understand and value the need to reasonably ensure the safety and health of guests, employees, and property owners. VRMA seeks to promote best practices to help vacation rental managers adhere to strict health and safety standards. VRMA works with policymakers and local governments to develop safe, reliable, and wide-ranging health and safety protocols.

- VRMA encourages communities to adopt the VRMA and Vacation Rental Housekeeping Professionals SafeHome program to ensure guest and employee safety.

- VRMA encourages communities and property managers to develop policies and programs to identify human trafficking by developing relationships among law enforcement, employees, and management companies.
- 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 simple, justified, proportionate health and safety standards and inspections.
- VRMA encourages property managers and communities to explore voluntary adoption of new technologies to address health and safety concerns before enacting stringent and untested regulations.

Good Neighbor Policies

Vacation rental managers strive to self-regulate their rentals to ensure that properties are held to the highest standards. VRMA believes vacation rentals are a positive attribute for communities, and stresses the importance for management companies to adhere to best practices and develop “good neighbor” policies for property owners and guests. VRMA encourages all vacation rental operators to develop relationships with local government officials to be available to respond promptly to complaints that may arise. In addition, VRMA is supportive of simple-to-follow, fair, and proportionate quality-of-life ordinances to protect the character of neighborhoods.

- VRMA encourages communities and property managers to jointly develop and distribute “good neighbor” policies for adherence by property owners, managers, neighbors, and guests.
- VRMA encourages stakeholders to consistently educate and engage the community about the importance of vacation rentals that are managed in a professional manner.
- VRMA supports “good neighbor” policies that require 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.

NOISE ORDINANCES

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 guests notify managers and property owners of incidents on the property.

Environment

Vacation rental homes are often located in our most beautiful natural places and urban environments. Travelers use vacation rental properties to access outdoor activities and explore the culture of a region. VRMA members strive to make their properties climate-resilient. Be it new or existing properties, VRMA members work to protect the environment for generations to come.



- 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.

Diversity, Equity and Inclusion

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.
- VRMA supports public and private efforts to reduce discrimination against travelers or individuals seeking accommodation at a vacation rental property.