
INTERIM STUDY COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT



**Indiana Legislative Services Agency
200 W. Washington Street, Suite 301
Indianapolis, Indiana 46204**

Monday October 30, 2017

DRAFT

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INTERIM STUDY COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT

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FINAL REPORT

Commerce and Economic Development, Interim Study Committee on

I. STATUTORY DIRECTIVE

The Interim Study Committee on Commerce and Economic Development is authorized under IC 2-5-1.3-4. The Committee is required under IC 2-5-1.3-13 to study issues assigned by the Legislative Council.

II. INTRODUCTION AND REASONS FOR STUDY

The Committee was charged with studying the following topics:

- (1) Short term rentals and local restrictions on short term rentals. (Source: HB 1133-2017, Senate Motion #6.)
- (2) Government regulation and government services (such as public safety, zoning and permitting) that arise around the sharing economy operating through electronic platforms. (Source: Letter-Rep. Lehman.)

III. SUMMARY OF WORK PROGRAM

The Committee met on October 11, 2017, in the State House, Indianapolis. At this meeting the Committee discussed and heard testimony on the topic of local government restrictions on short term rentals.

Witnesses provided testimony on the following subjects: zoning and permitting, nuisance problems with short term rentals, economic benefits of home sharing, protection of property rights, tax collection, safety and security protections, reasonable and flexible regulation, property owners' reliance on long standing zoning ordinances, the experience and benefits of being an AirBnB host, preservation of the character of the community, and the need to level the playing field for all short term lodging.

The Committee met on October 18, 2017, in the State House, Indianapolis. At this meeting the Committee discussed the Draft Final Report's Proposed Findings and Proposed Recommendation.

A motion was made to adopt the Proposed Recommendation contained in the Draft Final Report. The motion was seconded and a roll call vote was taken with 7 "yes" votes and 3 "no" votes. The Proposed Recommendation failed to achieve an affirmative vote from a majority of the voting members appointed to serve on the interim study committee as required by Legislative Council Resolution 17-02.

The Committee met on October 30, 2017, in the State House, Indianapolis. At this meeting the Committee [SUBSTANCE OF THE MEETING TO BE INSERTED].

The exhibits and minutes from these meetings and a video of each meeting can be accessed at: https://iga.in.gov/legislative/2017/committees/i_commerce_and_economic_development_interim_study_committee_on

IV. COMMITTEE FINDINGS AND RECOMMENDATION

[Insert any Findings or Recommendations made by the Committee at its meeting on October 30, 2017.]

PROPOSED FINDINGS:

- (1) The Committee finds that there is an increasing demand for short term rentals from travelers of all types, and that it would serve the people of Indiana well to ensure the availability of short term rentals throughout the state.
- (2) The Committee finds that current tools exist within local governments in the form of ordinances or other actions that apply to long term rental homes and traditional residential homes (e.g., noise, parking, and trash ordinances) that can also be applied to address any issues caused by a short term rental.
- (3) The Committee finds that short term rentals often offer accommodations in neighborhoods without traditional lodging options resulting in positive economic impacts and important opportunities for tourism development.
- (4) The Committee finds that short term rentals provide additional income opportunities for Hoosiers that participate.
- (5) The Committee finds that the residential use of one's home is a basic property right and that participation as a short term rental host does not impact the residential character of the home.
- (6) The Committee finds that short term rental platforms and short term rental hosts acknowledge that applicable taxes are owed on short term rentals and the Committee defers to the work of the Interim Study Committee on Fiscal Policy on the issue of taxation.

PROPOSED RECOMMENDATION:

- (1) Recommended that the policy of the state should be to prevent any undue restrictions on the use of a person's primary residence as a short term rental.

The Committee considered and adopted the final report [by consent OR by a vote of _____.]

WITNESS LIST

Tony Roswarski, Mayor of the City of Lafayette, Indiana
Douglas Haney, Corporation Counsel for the City of Carmel, Indiana
Maggie McShane, Sr. Vice President of Government Affairs, Indiana Association of Realtors
Lindsay Moss, Assistant Government Affairs Director and Legal Counsel, Accelerate Indiana Municipalities
Matt Kiessling, Vice President of Short-Term Rental Policy, The Travel Technology Association
Laura Spanjian, Public Policy Director, AirBnB
Jim Epperson, Indiana Tourism Association
Senator Karen Tallian
Katie Beth Maddox, Director of Government Affairs, Indiana Restaurant and Lodging Association
Karen Vedanis, a resident of Carmel, Indiana
Terry Kirks, a resident of Indianapolis, Indiana
Leesa Smith, owner of the Nestle Inn in Indianapolis
Janine Saxton, a resident of Richmond, Indiana
Amber Dilling, a resident of Lafayette, Indiana
Sherry Yager, a resident of Nineveh, Indiana and member of the East Lake Lot Owners Association
Karen Kelly, a resident of Nineveh, Indiana and board member of the East Lake Lot Owners Association
Tim Kelly, a resident of Nineveh, Indiana and member of the East Lake Lot Owners Association
Catherine LaCrosse, a resident of Indianapolis, Indiana