

October 16, 2019

The Honorable Frank Pallone, Jr.  
Chairman, House Committee on Energy  
and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Greg Walden  
Ranking Member, House Committee on Energy  
and Commerce  
2322 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Pallone and Ranking Member Walden:

On behalf of the American Hotel & Lodging Association (AHLA), the sole national association representing all segments of the U.S. lodging industry, including hotel owners, REITs, global brands, franchisees, management companies, independent properties, bed and breakfasts, state hotel associations, and industry suppliers, I would like to thank the House Committee on Energy and Commerce for holding today's hearing titled, "Fostering a Healthier Internet to Protect Consumers." As the Committee begins to review this important topic, AHLA encourages Congress to make clear that Section 230 of the federal Communications Decency Act (CDA 230) was not intended to stop state and local governments from putting in place rules and regulations governing short-term rentals in their communities.

The lodging industry is one of the nation's largest employers. Supporting 1 in 25 American jobs, or 8.3 million in total, the hotel industry annually provides more than \$92 billion in wages and salaries to our associates and generates \$660 billion in economic activity from the 5.3 million guestrooms at nearly 56,000 lodging properties nationwide. It's particularly important to note that this industry is comprised largely of small businesses, with nearly 60 percent of all hotels falling under the SBA's definition of what constitutes a small business in the lodging sector.

Passed in 1996, CDA 230 has played an important role in fostering the Internet's growth. CDA 230 provides Internet platforms with broad immunity from liability for third-party content posted on their websites. The original intent of CDA 230 was to shield an Internet company if users posted content that was obscene, lewd, excessively violent, or otherwise objectionable.

Unfortunately, today big tech short-term rental platforms, such as Airbnb and HomeAway, have exploited CDA 230 to avoid regulations and protect their profits. In fact, these companies have invoked the statute, arguing they are immune from regulations in at least 10 lawsuits against local governments across the country<sup>1</sup>. In other words, these companies have used the statute to upend local ordinances governing short-term rentals, arguing that as "platforms" they cannot be forced to comply as they continue to profit from listings that violate local laws.

States and municipalities should be free to adopt and implement planning and zoning laws that govern short-term rentals. Multi-billion-dollar companies that profit from content on their websites should be accountable for that content and should be required to remove content advertising goods or services that are illegal offline. Congress should amend CDA 230 to make it clear that platforms are not immune from state and local laws holding them accountable for selling illegal products or services and make clear that massive technology companies such as Airbnb and HomeAway should abide by the same laws as every other law-abiding lodging business.

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<sup>1</sup> Martineau, Paris. "Inside Airbnb's 'Guerrilla War' Against Local Governments." *Wired*. March 20, 2019.  
<https://www.wired.com/story/inside-airbnbs-guerrilla-war-against-local-governments/>



According to a recent national survey, Americans overwhelmingly support amending CDA 230 to remove loopholes used by short-term rental sites, like Airbnb and HomeAway, to avoid complying with state and local laws. Three in four Americans (76 percent) believe short-term rental sites should be held accountable for complying with local laws and 77 percent believe the CDA should be amended to remove potential loopholes, that allow Internet companies to profit off illegal activity on their web sites<sup>2</sup>.

For these reasons, AHLA, along with a wide variety of local community interests strongly support the Protecting Local Authority and Neighborhoods (PLAN) Act (H.R. 4232)<sup>3</sup>. Introduced by Representatives Ed Case (HI-1) and Peter King (NY-2) and cosponsored by Representatives Norman (SC-5), Krishnamoorthi (IL-8), Dunn (FL-2) and Fitzpatrick (PA-1), the PLAN Act would amend CDA 230 to remove loopholes that short-term rental companies exploit to avoid compliance with local ordinances. This bipartisan legislation makes it clear that unlawful short-term rentals and illegal business transactions are not protected under federal law and Congress should act without delay.

Sincerely,

A handwritten signature in black ink that reads "Chip Rogers". The signature is fluid and cursive, with the first name "Chip" being more prominent than the last name "Rogers".

Chip Rogers  
President and CEO

CC: Members of the House Committee on Energy and Commerce

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<sup>2</sup> *Morning Consult*. "National Tracking Poll". August 27-29, 2019.

[https://www.ahla.com/sites/default/files/morning\\_consult\\_survey\\_cda\\_short-term\\_rentals\\_9.10.2019.pdf](https://www.ahla.com/sites/default/files/morning_consult_survey_cda_short-term_rentals_9.10.2019.pdf)

<sup>3</sup> Riley, Tonya. "Airbnb now part of Congress's debate over Silicon Valley's legal shield." *Washington Post*. October 14, 2019. <https://www.washingtonpost.com/news/powerpost/paloma/the-technology-202/2019/10/14/the-technology-202-airbnb-now-part-of-congress-s-debate-over-silicon-valley-s-legal-shield/5da3b24f88e0fa3155a710c2/>