



October 10, 2019

Dear Members of Congress:

We are living in an economy where a few major tech companies are rapidly becoming so big and powerful that their business models are creating significant and harmful societal impacts. One of the most well-documented cases of this problem relates to the rising costs and decreasing availability of affordable housing.

The situation related to low- and moderate-income housing stock in many cities is a national crisis, and Big Tech short-term rental companies, like Airbnb and HomeAway, are adding to the problem. Across the country commercial investors are buying large swaths of residential homes for the sole purpose of converting them to permanent short-term rentals. This conversion is causing a reduction in the supply of housing, driving up the cost to rent or own a home and displacing families out of the neighborhoods they have called home for generations. Not surprisingly at all, mayors and city councils are working to craft solutions to this problem by regulating multi-unit real estate speculators who are using short term rental units as illegal hotels rather than rentals for low and middle income people.

However, when cities have been passing these kinds of reasonable regulations, lawyers for Airbnb and HomeAway are using Section 230 of the Communications Decency Act (CDA 230) to say they can't engage in any regulation of a tech company. This was never the intent of Section 230, which was written to foster free speech on the internet and allow companies with many users to post content without the company being sued.

Section 230 of the Communications Decency Act (CDA 230) shields websites from liability for content produced by third-party users on their platforms. Internet based short-term rental platforms invoke this protection when called to account for illegal rental activity they have facilitated even though they're intricately involved in every detail of the illegal listing. These companies collect and remit money, provide insurance, suggest pricing, hire photographers, making them a vital part of the transaction rather than a passive platform providing their users a space on the internet to share content. These companies are

knowingly facilitating and profiting from illegal listings all-the-while driving up the cost and access to housing and they must be held accountable.

Study after study shows Airbnb is depleting our housing stock across the country while driving up the cost to rent or own a home:

- The Economic Policy Institute [evaluated the costs and benefits of Airbnb-type rentals](#) and found that “the single biggest cost Airbnb imposes on communities is limiting the number of long-term rental housing units. Because housing demand is relatively “inelastic” (people’s demand for somewhere to live doesn’t decline when prices increase), even small changes in housing supply—like those caused

by converting long-term rental properties to Airbnb units—can cause significant price increases for local residents.”

- According to a [study](#) by the University Of California, Los Angeles (UCLA), Airbnb “Airbnb incentivizes landlords to remove properties from the long-term rental market...causing rents for long-term leases to increase.”
- McGill University conducted a [study](#) with a clear and undisputable conclusion that “the more Airbnbs in a city, the higher rents get for local residents” as Airbnb rentals have removed up to 13,500 housing units from the long-term market in New York City.

We urge you to support the Protecting Local Authority and Neighborhoods Act (PLAN Act) H.R. 4232 which will end the exploitation of CDA 230 by Big Tech platforms like Airbnb and HomeAway. Introduced by Congressman Ed Case, the PLAN Act will be a narrow clarification to the CDA 230 language, clarifying that CDA 230 does not shield short-term rental platforms from accountability when they facilitate illegal rental bookings.

This change will ensure short-term rental companies comply with state and local laws, put an end to their abusive exploitation of CDA 230’s original intent and help protect vital affordable housing across the country.

Sincerely,

American Family Voices (AFV)
Blue Future
Coalition for Economic Survival (CES)
Community Change
Courage Campaign
Disability Power and Pride
Hawaii Thousand Friends
HI Good Neighbor
International Center for Appropriate & Sustainable Technology
Keep Neighborhoods First
Kuli'ou'ou / Kalani Iki Neighborhood Board
LAANE
National Community Development Association
New York Communities for Change
People’s Action
Save Oahu’s Neighborhoods (SONHawai’i)
Southeast Asian Community Alliance (SEACA)
Strategic Actions for a Just Economy (SAJE)
Venice Community Housing