Attachment 2

March 20, 2025

Idaho Senate Local Government and Taxation Committee
Comments Regarding Senate Bill 1162 being heard on March 20, 2025

Dear Chairman Ricks and members of the Committee:

I'm writing to provide my concerns regarding Senate Bill 1162 regarding short term rentals. While I represent a number of cities in Idaho, I am writing this not on behalf of any of them individually but in my individual capacity as a practitioner of municipal law and stemming from my experiences representing cities in drafting, implementing, enforcing, and ultimately adjudicating zoning and other city or county ordinances. I have reservations about the current necessity of the bill, particularly since there is pending a decision from the Idaho Supreme Court in litigation regarding this statute's implementation in one city, and with pending litigation in yet another city. It may be wise to see how those matters are resolved, so if statutory amendment is required to further protect private property rights, it can be more accurately fine-tuned to reflect the court's holdings. However, I understand the proponent's need to get this issue resolved and a more robust discussion of these issues in the context of a bill hearing can help policymakers decide how best to address both sides of the issue, whether this session or the next.
Regarding the bill as drafted, I will only comment on a couple of very serious issues I think need to be corrected if the bill is to advance this session, and therefore would request that the bill be sent to the 14th order for amendment to correct these issues.

My first chief concern with the bill as currently drafted is on line 21 of page one, where the drafter has struck through the words as follows:

> A short-term rental ~~or vacation rental~~ shall be classified as a non-transient residential ~~land~~ use for zoning and building code purposes and subject to all ~~zoning requirements applicable thereto~~ only to those building codes adopted by the Idaho building code board.

This modification creates an internal inconsistency: first, it appears to preserve the statute's current directive to treat short-term rentals as residential for zoning purposes, and then, with the strikethrough explicitly exempting them from being subject to zoning requirements. This simply won't work- having short term rentals specifically exempted from zoning requirements. This is an easy fix- simply remove the strikethrough and remove the added words "only to" and replace with "and."
My second concern with the bill stems from the new addition on page 2, lines 8-33. The bill expressly permits a city or county licensure system for STRs but problematically limits their ability to use that system by enumerating the *only two* instances in which they may revoke a license. There are myriad sound policy reasons for which a license should be revoked as a part of a city's constitutional grant of police power. An obvious example: an STR operator, with a license, is caught placing video cameras in his STR and is charged with video voyeurism. Under this amendment, a local government *could not* revoke his license for that violation. Thus, this whole section needs a great deal more work to make the licensure system effective for its purposes.
I therefore respectfully request the bill be sent to the 14th order for amendment to correct these issues.

Geoff Schroeder
Former Senator and Vice Chair, Senate Local Government and Taxation Committee

OFFICE OF THE MAYOR
MAYOR: Lauren McLean

Testimony of Kathy Griesmyer
Oppose SB 1162: Restrictions on Short-Term Rental Ordinances
Before Senate Local Government & Taxation Committee
March 20, 2025

As the Director of Policy and Government Affairs for the City of Boise, I write to you today requesting your "no" vote on SB 1162 because it will preempt municipal authority to regulate short-term rentals (STR) to address the full scope of health and safety needs within the community.

The City of Boise enacted a short-term rental license ordinance in May of 2022 to safeguard the public health and safety of residents in Boise, as well as to protect the integrity of residential neighborhoods where short-term rentals operate. The City Council enacted this ordinance to ensure these rental businesses had appropriate liability insurance consistent with the requirements of other businesses operating in the city, and to collect data about short-term rentals' impact on housing affordability. Under Boise City Code, anyone operating a STR (defined as a unit offered for a fee for 30 days or less) must obtain and maintain a STR license. The license must be renewed one year from date of issuance and costs $80, plus a $1.50 processing fee. STR operators must provide contact information for the owner and a local representative; a physical address of the property; which rental marketplaces the property is listed on; parking availability; the number of smoke detectors, carbon monoxide detectors, and fire extinguishers on the premise; and proof of liability insurance.

SB 1162 would restrict city authority to regulate businesses within its jurisdiction to address health and safety concerns, most notably under I.C. 67-6539(2)(a). In the case of the City of Boise's own STR ordinance, it would also essentially prohibit any of the data collection provisions under our licensing ordinance, barring local leaders from better understanding how the STR market is impacting the city's already dire housing market.

For example:

- "Requiring additional insurance" – To exempt STRs from this typical business license requirement would put the public at a significant risk when it is standard to require businesses to obtain and maintain appropriate liability insurance. Additionally, not all STR companies require additional liability insurance.
- "Requiring professional property management" – This provision should not preclude out-of-state owners from maintaining an agent locally who is authorized to accept legal notices on the owner's behalf. If there is no requirement for a local agent to accept legal notices, then cities will spend onerous amounts of taxpayer resources to serve notices and citations to STR owners out of state.
- "Requiring additional fire protection or sprinklers" – As written, cities could not require STR owners to provide functioning fire alarms and fire extinguishers on the property. This is a very basic safety requirement and serves a significant interest in the protection of the STR renters and the homeowners adjacent to the STR.

- "Requiring internal or external signage, notices, or diagrams" – The City's current STR ordinance requires clear display of a city-issued STR license within the property at all times, which is a consistent requirement for other businesses the city regulates via licensing (e.g., catering permits, alcohol license, eating/drinking licenses, taxi driver permits, vendor licenses, etc.) The STR renter benefits by being able to see if the property is licensed and is an important notice to law enforcement regarding what type of property they are responding to during an emergency or call for assistance.
- "Imposing a limit on the days a property can be rented" – This provision is vague as it is unclear if this is a prohibition to limiting STRs to renting for 30 days or less or a prohibition to limiting STRs to a certain total number of days out of a year (365 days). However, as currently drafted, this subsection runs afoul of BCC § 5-17-4 which states a "tenant" is a person occupying a "residential rental unit" for more than 30 consecutive days under a "residential lease agreement." Thus, allowing STRs to rent for more than 30 consecutive days would create a landlord/tenant relationship under City Code, a likely unintended outcome of this proposed legislation.

In addition to the long list of restrictions proposed under I.C. 67-6539(2)(a), SB 1162 severely restricts how local governments can license, and enforce compliance, with short-term rental businesses. Under subsection (5), the limitation on revoking a STR business license to three or more convictions on three or more separate occasions which occurred in a 12-month period is onerous and vague. This doesn't distinguish what kind of conviction qualifies – would a noise ordinance infraction qualify, or would a misdemeanor or felony qualify under this provision? SB 1162 also doesn't contemplate that there are potential situations egregious enough to merit a revocation without prior convictions. For example: if the owner was convicted of manufacturing methamphetamines in the STR, thus contaminating the whole house unfit for safe human habitation. Also, the provisions under subsection (5)(a)(ii) offer local governments false security regarding the safety and security of an STR as the legislation provides no means in which to verify that a STR owner accurately attested that their unit had no prior convictions.

For these reasons, we respectfully request that you vote "no" and hold SB 1162 in committee. If you have any questions about the city's position on this bill, please do not hesitate to contact me at 208-890-3800. Thank you.

American Planning Association
Idaho Chapter

March 19, 2025

The Honorable Doug Ricks, Chair
Senate Local Government & Taxation Committee
Idaho State Legislature
P.O. Box 83720
Boise, Idaho 83720

RE: S1162 – Limitations on Regulation of Short-Term Rentals

Dear Mr. Chair Ricks:

I am writing to you in my capacity as President of the Idaho Chapter of the American Planning Association (APA Idaho). APA Idaho represents more than 275 local planning officials, private sector planners, and planning commission members statewide. Our board includes planners from every region of Idaho as well as representatives from public universities with planning curricula and this issue has been discussed with our membership over the past year. I am writing to register my organization's opposition to Senate Bill 1162 for the following reasons:

- Utilizing the Local Land Use Planning Act (Title 67 Chapter 65) to circumvent the life safety requirements enacted by the Legislature in Title 39 Chapter 41 (International Building Code) & Title 41 Chapter 2 (International Fire Code) creates confusion, and contradictory laws, regarding Building & Fire Safety.

- This Legislation does not incorporate the work which occurred with Chairman Clow following the 2024 session that addressed concerns from Idaho cities, the Resort Cities Coalition, Fire Chiefs/First Responders, Restaurant and Lodging Association, Idaho Realtors Association, and many others. This coalition of interested parties debated and discussed this issue in good faith for more than eight months with the understanding some elements from all sides would be included in future legislation. This legislation is an "end around" attempt by the bill sponsors.

- This legislation doesn't address the parking impacts of STRs in neighborhoods with limited off-street parking. Many STR guests bring multiple vehicles, RVs, trailers with boats, ATV's, and other weekend recreation equipment. This creates conflicts between property tax paying citizens of neighborhoods and "out of towners" that are exploiting the good nature of permanent Idaho residents.

- This legislation removes the requirement to follow Building and Fire Codes for transient lodging properties (Pg 1 Lines 24 – 27 & 29 – 31). The life safety Code requirements for transient lodgings found in the 2018 IRC and 2018 IBC, have been duly passed by the Idaho Legislature in order to keep the general public safe from hazardous situations.

- Merely requiring a declaration by the property owner that a basement room doesn't meet the safety requirements of current Idaho Law will not lower the risk of a tragedy occurring. (Pg 2 Lines 34 – 43).

- A blanket limitation of $50 for a permit across the entire state is not adequate for cost recovery in every location where these programs may take place. Fees established for these types of programs must go through a public hearing at the local level, where duly elected City and County Officials answer for the costs of the program to the local electorate. We firmly believe these types of decisions are best made at local level.

- Many Idaho cities have invested in STR code development and enforcement and some have committed to a software management program that costs tens of thousands of dollars a year and has limitations on when the contract can be cancelled. There should be some consideration for financial commitments that cities have incurred.

- Diminishing the fire prevention safety requirements for any lodging type will lead to more frequent emergency response and increase the risk of hazardous conditions for the guests staying in the STR, the property owner next door, and all others in the neighborhood. It is an increased risk that shouldn't be borne by tax paying Idahoan's.

- This legislation removes the general welfare and neighborhood integrity language and includes a laundry list of restrictions on jurisdictions that could have negative implications on the guests, neighbors, and our neighborhoods. Idaho communities should be able to come up with their own regulations that fit their community's needs. Legislation shouldn't be able to remove all possible tools that may be appropriate and are based on best practices such as notices to neighbors, exit plans, internal signage, and owner-occupancy requirement that is common if a home also has an Accessory Dwelling Unit. These decisions should be left to the local jurisdictions.

We urge you to vote note on this legislation and preserve local control. Thank you for your consideration of our comments.

Sincerely,

H. Patterson

Hilary Patterson, M.S.
APA Idaho Chapter President

AHLA
AMERICAN HOTEL & LODGING ASSOCIATION

March 19, 2025

The Honorable Doug Ricks
Chair
Committee on Local Government & Taxation
Idaho State Senate
P.O. Box 83720
Boise, ID 83720

Dear Chairman Ricks:

On behalf of the American Hotel & Lodging Association (AHLA), we thank you for your leadership and opportunity to comment on a very concerning bill before your committee. AHLA is the nation's largest hotel association representing over 33,000 members across all segments of the industry, including more than 150 in Idaho. AHLA is a proud national partner of the Idaho Lodging and Restaurant Association.

For hotels in Idaho and across the country, competition is the hallmark of our industry, and we thrive when everyone plays by the same set of rules designed to ensure the safety of our guests and our communities. That's why tourism remains one of Idaho's leading industries, and hotels are among the top employers of Idaho residents. Idaho's hotel industry employs nearly 47,000 residents, paying more than $2 billion in wages and salaries, and $877.6 million in state, local, and federal taxes annually.

With this in mind, we would like to thank you for hearing our concerns with S.B. 1162. As you know, S.B. 1162 attempts to severely limit local control of short-term rental properties. We have serious concerns with the bill and offer a recent example of similar legislation and the devastating impacts that followed.

The occasional rental of a primary residence – the true spirit of the "sharing economy" – is the type of activity that generates positive benefits to tourism across the country and here in Idaho. However, we are concerned with the growing number of commercial operators – many of whom are out-of-state investors – using short-term rental websites to essentially operate multi-unit, full-time lodging businesses that undermine communities and flout the most basic zoning guidelines. Short-term rental platforms contend that the majority of their hosts are "mom and pops" looking to rent out a spare room or garage apartment for extra income. This is a convenient narrative but it's only part of the story.

In reality, these companies have grown because commercial investors are listing residential properties that have no regular occupant and are available for rent year-round. Seeing an easy loophole, investors in Idaho and states across the country are operating illegal hotels without the consumer and community protections that legitimate hotels of every size – from the large chains to the small bed and breakfasts – are required by state law and local ordinance to follow. It's only fair that if you run a lodging business you should have to comply with the same standards as every other lodging business.

For proof of the damage this bill will do, look to Arizona. In 2016, Arizona Governor Ducey signed into law a bill (S.B. 1350) that prohibited cities from regulating short-term rentals except for certain health and safety concerns. The consequences were immediate and far-reaching. For example, tourist destinations like Sedona lost roughly 30 percent of its single-family homes, drastically limiting the houses available to locals and forcing families to look outside of the area. Other cities like Scottsdale saw entire communities overrun with investor-owned commercial lodging properties, bringing in a constant stream of house parties and related nuisance issues. Six years later, Governor Ducey signed S.B. 1168 into law to undo the damage and once again allow local governments to establish short-term rental regulations, including penalties for noncompliance and outlining requirements for short-term rental owners, such as liability insurance and emergency contact information.

The lesson from Arizona is clear. By further restricting local control of short-term rentals, Idaho would be stripping their cities and towns of a critical duty that local government is uniquely qualified and best positioned to handle. S.B. 1162 will give real estate investors free rein to replace single-family homes in residential neighborhoods with short-term rental operations.

We urge you to oppose this bill. AHLA and our members stand ready to help craft legislation that ensures commercial businesses facilitated by short-term rental platforms fully comply with the law, protect consumer safety, preserve residential neighborhoods, and meet their tax obligations.

Sincerely,

Melissa L. Mitton

Melissa Mitton
Senior Director, State & Local Government Affairs
American Hotel & Lodging Association

Meg Lawless

From: timpower@itrip.net
Sent: Wednesday, March 19, 2025 4:16 PM
To: Senator Doug Ricks; Meg Lawless
Subject: Hearing for Senate Bill 1162

Dear Chairman Ricks and Local Government & Taxation Committee Members,

I am writing today to express the importance of scheduling a hearing to discuss Senate Bill 1162.

I am a small business owner of a property management company that manages 50+ STR properties in the Ada County and McCall areas. My business is part of a national network of property managers. We are professionals in this industry and our highest priority is to bring value to our communities, create jobs, and serve visiting guests to the area. I have a lot of resources at my disposal in regards to data around trends, the number of properties in any given market, economic effects, and the impact and benefits of Short-Term Vacation Rentals to a community (which can differ from one market to another).

As I believe you know, the Association of Idaho Cities and local government officials across the state are actively opposing this bill in an attempt to retain "local control" in clear violation of Idaho Code 47 67-6539. This is why a public discussion is critical so that our legislators can hear from both sides of the issue enabling you to make a completely informed and fair decision.
Additionally, these municipalities have failed to comply with constitutional guardrails when imposing short-term rental ordinances. These overreaching regulations often lack due process and result in unfair, inconsistent, and burdensome restrictions on property owners.

We are not asking for special treatment—only for equal treatment under the law and due process, just as any other property owner or business would expect. Short-term rentals play a vital role in supporting Idaho's economy, tourism industry, and hardworking homeowners who rely on rental income to make ends meet.

One of the things that makes Idaho especially unique is it's well known, long standing culture of individual property rights. Idaho has been a beacon of self-determination and individual rights and many of these municipal restrictions goes against that very history and culture.

I respectfully ask you to stand with property owners and small businesses, not against them, by scheduling a hearing for SB 1162. The people of Idaho deserve the opportunity to have this bill heard and fairly debated rather than allowing well-funded lobbying efforts to silence our voices.

Thank you for your time and for ensuring a transparent legislative process. I look forward to your response.

Sincerely,

Respectfully,

Tim Power
***iTrip** Southern Idaho*
1404 W Idaho St Boise, ID 83702
timpower@itrip.net
208-991-3950
www:soidaho.itrip.co

Thursday March 20th, 2025

Dear Senate, Local Government & Taxation Committee Member Senators,

Thank you for taking the time to consider changes to this important Idaho State Statute and to consider our submission in your deliberations.

We would like to make some brief statements regarding our experience with our local City of Lava Hot Springs, Idaho Council regarding our tri-plex property investment within Lava Hot Springs city limits, where City of Lava Council uses a local Ordinance to prohibit property owners outside the councils designated Short Term Rental (STR) zone from using their properties as freely expressed in accordance with the Idaho State Statute regarding such matters.

Moreover, they use the ambiguous wording of the State Statute to enforce their local ordinance by claiming they are protecting the health and safety of the community. Their motives are far from honorable in this claim, and their demonstration of health and safety regard towards constituents in other areas of council jurisdiction and management including streetscape care and presentation, cleanliness, snow removal, trash removal during busy holiday times and staircase/side walk management in winter; make a mockery of their claims in relation to enforcing their STR ordinance for the greater benefit of the local community.

Lava City Hall's interference and obfuscation with our right to utilize our property under State Statute that prohibits local or county level government from dictating to property owners what they can and cannot use their property for – specifically as "Short Term Rentals" (STR), has seen us loose thousands of dollars in legal proceedings and perpetuate a decades long loss of ROI from the investment we made to renovate our tri-plex.

1. We are locals – born and raised in the immediate SE Idaho area. We use our property in Lava Hot Springs every week & have property elsewhere close by.
2. We participate in the Lava Hot Springs community, yet we are treated as "out of towners" accused of infiltrating Lava for monetary gains at the expense of "Lava Locals"
3. We purchased a run-down derelict duplex property at 60 E Booth St, Lava hot Springs Idaho and renovated it at considerable cost into a tri-plex worthy as one of the nicest properties in Lava today. Our development of the site includes an 8-car garage and further off-street parking for 3 more vehicles. This is more off-street parking than almost all other STR / Private Accommodation complexes in Lava Hot Springs.
4. We live in the largest apartment on site, with a desire to use the other two smaller apartments for STR to provide a better ROI on our investment, and service the need of accommodation options for a busy, small tourist-based township constantly with no vacancies at other accommodation providers. Our market entry point we believe was offering a better standard of quality and cleanliness for accommodation than some other less than standard offerings within the STR commercial zone in Lava Hot Springs. You only need to read some of the online reviews regarding the safety and hygiene standards at other providers within the STR zone in Lava Hot Springs.
5. STR gave us flexibility to use our other apartments when and how we want to use them. We could effectively extend our own apartment from 2 bedrooms to 6 bedrooms and invite family and friends to visit, simply by blocking out our STR for personal use. Our personal guests effectively had their own private suite when visiting town. We cannot do this when we are forced to rent them as long-term Rentals (LTR).
6. We are also forced by City of Lava Council to settle for a much lower ROI in monthly rental income over what can be earned in STR turnover, while watching some of these local law makers collect on

the very ROI from their accommodation businesses via STR, while denying others in the community from being rewarded for their efforts to provide alternate accommodation options.

7. When applying for a business license were instructed by City of Lava Town Hall to apply for a "Bed and Breakfast" license as we were outside the "STR Zone" within Lava Hot Springs.
8. We followed all processes only to be rejected by City of Lava P&Z committee as not fitting the Bed & Breakfast criteria. When asked why we were directed by them to follow this process, when it was obvious to P&Z members, we were a tri-plex apartment complex and would not meet the B&B criteria, we were offered no rationalization or explanation. We were made waste time and money as an obfuscation tactic by City Hall.
9. When challenging the City of Lava at P&Z meetings and Council Meetings on the State Statutes we believed over-ruled city ordinance we were told the "State Statute didn't apply to City of Lava".
10. At all times it appeared the City of Lava knew they were over-riding State Statue, however, were prepared to use whatever legal or other city ordinance means (i.e.: fire code deficiencies or retro fitting of fire suppression – all designed in ordinance verbiage to make it harder for anyone to overcome City of Lava permitting processes) to scare off, delay, obfuscate and then still ultimately refuse any application put before them outside their designated STR zone - all if you had enough time and money to reach that point in the application process.
11. When we challenged the City of Lava through legal means, the City of Lava used legal tactics via "Discovery" to delay, obfuscate and attempt to "Out Spend", "Out Gun" and "Out Last" us to make us go away. They succeeded, with the use of vast amounts of our taxpayer dollars and resources - mainly through the legal Icrimp Insurance policy that protects small councils in litigation, which became an open check book for the City of Lava's legal counsel to apply tactics towards constituents that, in our opinion, were morally and ethically reprehensible. The City of Lava leadership should be ashamed of themselves that they used such underhanded legal tactics to defeat local taxpayers with their own money!
12. Sworn affidavits against our application for a STR Business license application by community members who did not even know us & even some of our immediate neighbors, that were sort by members of the Council and P&Z committee to assist City Hall's legal counsel, were blatantly false and all designed to cost us vast amounts of monies in legal costs via depositions of over 20 persons. Many would have been thrown out because of lack of evidence had we disposed each claimant. However, at a cost of almost $5000.00 per deposition, this tactic was deliberately taken by City of Lava Legal counsel to ensure we would spend almost $100,000.00 in deposition costs.
13. The result of this kind of action by City of Lava Council has permanently fractured this community's cohesion through lies and falsehoods being used to scare locals into confirming to City of Lava leadership's hidden agendas and nostalgic isolationism ideologies.
14. We gave up and withdrew our legal pursuit after spending close to $30,000.00.
15. We realized our ROI on our investment would take over 10 years to recoup the money lost in legal proceedings with The City of Lava.
16. We noted at the time the immense conflict of interest with members of the City of Lava Council and members of the P&Z committee also being major hospitality and accommodation business owners in City of Lava, in particular current Mayoress Ms. Vicki Lyons. Some were also once our personal friends, but our friendships were sacrificed for the positions of power at City Hall and financial monetary greed of a few wealthy locals.
17. On an attempt to extend our property portfolio with a 4 Plex of Apartments purchase within the STR zone in the City of Lava, we approached City Hall during due diligence to have a business license

Meg Lawless

From: Melissa Mitton <mmitton@AHLA.COM>
Sent: Wednesday, March 19, 2025 4:30 PM
To: Meg Lawless
Subject: Please Oppose SB 1162
Attachments: AHLA Opposition Letter SB 1162.pdf; ID_AZ Impacts One-Pager_3.17.25 (003).pdf

Dear Chairman Ricks,
On behalf of the American Hotel & Lodging Association (AHLA), we thank you for your leadership and opportunity to comment on a very concerning bill before your committee. AHLA is the nation's largest hotel association representing over 33,000 members across all segments of the industry, including more than 150 in Idaho. AHLA is a proud national partner of the Idaho Lodging and Restaurant Association.

For hotels in Idaho and across the country, competition is the hallmark of our industry, and we thrive when everyone plays by the same set of rules designed to ensure the safety of our guests and our communities. That's why tourism remains one of Idaho's leading industries, and hotels are among the top employers of Idaho residents. Idaho's hotel industry employs nearly 47,000 residents, paying more than $2 billion in wages and salaries, and $877.6 million in state, local, and federal taxes annually.

With this in mind, we would like to thank you for hearing our concerns with S.B. 1162. As you know, S.B. 1162 attempts to severely limit local control of short-term rental properties. We have serious concerns with the bill and offer a recent example of similar legislation and the devastating impacts that followed.

The occasional rental of a primary residence – the true spirit of the "sharing economy" – is the type of activity that generates positive benefits to tourism across the country and here in Idaho. However, we are concerned with the growing number of commercial operators – many of whom are out-of-state investors – using short-term rental websites to essentially operate multi-unit, full-time lodging businesses that undermine communities and flout the most basic zoning guidelines. Short-term rental platforms contend that the majority of their hosts are "mom and pops" looking to rent out a spare room or garage apartment for extra income. This is a convenient narrative but it's only part of the story.

In reality, these companies have grown because commercial investors are listing residential properties that have no regular occupant and are available for rent year-round. Seeing an easy loophole, investors in Idaho and states across the country are operating illegal hotels without the consumer and community protections that legitimate hotels of every size – from the large chains to the small bed and breakfasts – are required by state law and local ordinance to follow. It's only fair that if you run a lodging business you should have to comply with the same standards as every other lodging business.

For proof of the damage this bill will do, look to Arizona. In 2016, Arizona Governor Ducey signed into law a bill (S.B. 1350) that prohibited cities from regulating short-term rentals except for certain health and safety concerns. The consequences were immediate and far-reaching. For example, tourist destinations like Sedona lost roughly 30 percent of its single-family homes, drastically limiting the houses available to locals and forcing families to look outside of the area. Other cities like Scottsdale saw entire communities overrun with investor-owned commercial lodging properties, bringing in a constant stream of house parties and related nuisance issues. Six years later, Governor Ducey signed S.B. 1168 into law to undo the damage and once again allow local governments to establish short-term rental regulations, including penalties for noncompliance and outlining requirements for short-term rental owners, such as liability insurance and emergency contact information.

The lesson from Arizona is clear. By further restricting local control of short-term rentals, Idaho would be stripping their cities and towns of a critical duty that local government is uniquely qualified and best positioned to handle. S.B. 1162 will give real estate investors free rein to replace single-family homes in residential neighborhoods with short-term rental operations.

We urge you to oppose this bill. AHLA and our members stand ready to help craft legislation that ensures commercial businesses facilitated by short-term rental platforms fully comply with the law, protect consumer safety, preserve residential neighborhoods, and meet their tax obligations.

Sincerely,

Melissa Mitton
Senior Director, State & Local Government Affairs

AHLA
American Hotel & Lodging Association
1250 Eye Street, NW, Suite 1100, Washington, DC 20005
O: 202-289-3115 | C: 863-381-5066 www.ahla.com
**I live in the mountain time zone*

Meg Lawless

From: Forest Atkinson <FAtkinson@mccall.id.us>
Sent: Wednesday, March 19, 2025 5:58 PM
To: Meg Lawless
Cc: Bob Giles; Emily McClure; hailie@waskowpolicy.com
Subject: City of McCall testimony on S1162 - text of comments
Attachments: McCall Testimony on SB 1162 - March 20.pdf

Dear Senate Local Government and Taxation Committee,

McCall Mayor Robert Giles will be testifying in person tomorrow at 2:00 pm at the hearing on S1162 regarding short term rentals.

Attached is the text of his expected comments.

I had signed up to testify virtually but since the Mayor is able to attend in person he will be using that time – I appreciate your help to ensure he gets time to testify.

Sincerely,

Forest Atkinson | City Manager
216 E. Park St
(208)-634-7142 (office)
(208)-630-4830 (mobile)
Fatkinson@mccall.id.us
www.mccall.id.us
City of McCall IDAHO

VIA EMAIL TO sloc@senate.idaho.gov

March 20, 2024

Meg Lawless
Committee Secretary
Local Government and Taxation Committee
Idaho State Senate

Re: Written testimony in opposition to S1162
Short term rentals and vacation rentals

My name is Craig Seledee, residing at 271 S Bruce Lane, Boise ID, email: sam.I.am000@outlook.com. I offer the following additional written testimony in opposition to (AGAINST) S1162 on my own behalf and not as a representative of any organization. I own rental properties in the City of Boise which are offered only as long term rentals. I have never participated as a "host" in the short term rental market.

1. Some localities in Idaho are currently experiencing a shortage of affordable rental housing. Those issues are most acute in cities and towns with high visitation interest such as Boise, McCall, Ketchum and Moscow.

2. Owners of rental properties have a choice between offering their units as conventional long term rentals (LTR) or short term/vacation rentals (STR). The latter can often be more lucrative. Strangely (but I guess consistent with our highly national unequal economy) it can be more profitable to rent to rich people for a few nights a month than to ordinary people for the whole month.

3. Another reason some owners chose STR over LTR is to avoid compliance with local building, zoning or fire codes, since a tourist from out of town is far less likely to notice or complain about violations than a long term local resident. Local code enforcement is usually compliant driven so STR violations are much less likely to be investigated and cited. I personally have stayed in basement STRs lacking legal egress of the type that would generally be required for an LTR. Section 6 of the bill implies that such deficiencies in egress can be cured by disclosure but local codes contain no such exception. Why should STRs get a pass on local ordinances applicable to LTRs, particularly since STRs are more likely than LTRs to fly under the radar of code enforcement? Why should local authorities be denied the opportunity to proactively screen SFRs for code compliance through registration or inspection requirements? Is it the intent of this committee to encourage STRs at the expense of workforce housing?

4. Proliferation of STRs can have serious adverse impacts on the local community, including higher cost and reduced availability of labor for local businesses, traffic congestion and pollution caused by workers commuting from areas with more housing options, potential noise and public safety issues requiring additional police resources, loss of business for local hotels and, in extreme cases, homelessness of displaced renters. Why should localities be denied the right to recover a portion of those costs from those who profit from STRs? Is this another case of "privatize the profits but socialize the costs"?

5. Given the potential adverse impact of STRs, we should ask whether passage of this bill is really in the interest of a majority of Idahoans. Is it possible that the benefits of this legislation would primarily accrue to a certain STR internet platform and its out of state managers and shareholders and a handful of property owners who prefer quick profits to supporting their communities.

I declare under penalty of perjury pursuant to the laws of the State of Idaho that the foregoing is true and correct.

Craig Seledee

Meg Lawless

From: SeeYahBye Rentals <seeyahbyerentals@gmail.com>
Sent: Thursday, March 20, 2025 1:07 AM
To: Meg Lawless
Subject: S1162 written testimony

Hello, I am providing a copy of our written testimony in favor of S1162. Scheduled for March 20th at 2:00pm. Thank you for your consideration!

"I am for this bill! It provides more clear guidance on protecting the safety of the community while not infringing upon personal property rights."

Thank you,
Callie and Bryce

Bryce & Callie Meyet
Operations Manager
REALTOR® | PRK Properties
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Meg Lawless

From: Rodney Burch <rodneyb@strategiccommunities.org>
Sent: Wednesday, March 19, 2025 8:09 PM
To: Meg Lawless
Cc: Emily McClure; Vicky Lyon - LHS Mayor; Wendy Jaquet
Subject: S1162 Meeting Packet
Attachments: LHS Letter to Local Government and Taxation Committee - SB 1162 STR Regulation.pdf

Secretary Lawless,

Mayor Vicky Lyon from Lava Hot Springs has previously sent the attached letter to each member of the Local Government and Taxation Committee but we would also like the letter to be included in the meeting packet for tomorrows hearing of Senate Bill 1162.

Thank you,

Rodney Burch
208-251-3952
Executive Director / Community Planning Advisor
Strategic Communities Alliance
An Idaho Non-Profit Corporation
www.strategiccommunities.org

OFFICE OF THE MAYOR
115 West Elm, P.O. Box 187
Lava Hot Springs, Idaho 83246
208-776-5820

March 19, 2025

Local Government and Taxation Committee
Via email: sloc@senate.idaho.gov

RE: Senate Bill 1162

Dear Senators,

I am providing this letter and attached information sheet to express my opposition to proposed Senate Bill 1162 – Short Term Rental Regulations.

The City of Lava Hot Springs zoning regulations have effectively managed short-term rentals in our community for nearly two decades. Our processes work for our community. Other communities successfully manage short-term rentals with different processes. The ability to address short-term regulations at a local level is appropriate and allows unique / specific concerns to be addressed. A one size that fits all solution does not work.

As you will see from the attached fact sheet, Lava Hot Springs population is only 380 residents in 140 households. However, we have 600,000 annual visitors to our community.

It is critical for our community, including visitors, that the city is able to maintain core public safety services, most of which are staffed by volunteers. Without local / permanent residents, we do not have local volunteers.

Currently, 45% of the homes in our commercial zone are used as short-term rentals, and 17% of our homes in R3 zone are used as short-term rentals. In total 62% of our homes in land use zones that allow short-term rentals are not owner occupied. Due to consumer demand, if the city loses the ability to regulate short-term rentals, every single-family home in our community will transition to short-term rental. In effect, this will decimate our community.

I ask you to oppose this legislation and allow short-term rental regulations to remain at the local level.

Sincerely,

Vicky Lyon
Mayor

Meg Lawless

From: Nicholas Bohnstedt <nicholasbohnstedt@gmail.com>
Sent: Wednesday, March 19, 2025 4:57 PM
To: Meg Lawless
Subject: S1162 Opposition Written Testimony

TO: SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE
Re: Opposition to S1162

Members of the committee,

My name is Nick Bohnstedt and I am a permanent resident of Mccall, Id. I stand in opposition to advancing this bill, and I urge you to do the same. This out-of-state copycat example of radical government overreach (of which Mr. Redman introduces many of to this esteemed body) is bad for hardworking Idaho homeowners and bad for rural Idaho communities. The short term rental market in Idaho is already thriving and certainly does not need one penny more of taxpayer dollars or effort from this body for the small percentage of people so fortunate to own a second home to profit from their asset. Laws currently on the books are a good balance between preserving homeowner's rights under the constitution and promoting a small government ethos in municipal autonomy. The conservative choice is clear, send this copycat bill back to whatever out-of-state interest group gave it and many other bills to Mr. Redman, and tell them that Idaho isn't interested in government overreach or the gentrification of our rural way of life.

Meg Lawless

From: Eric B <ericb5954@hotmail.com>
Sent: Wednesday, March 19, 2025 5:56 PM
To: Meg Lawless
Subject: Written Testimony is Support of Senate Bill 1162

Senate bill 1162 is not about cities losing their municipal authority to protect the health and safety of their residents as opponents would have you believe. In reality, the bill simply asks that any valid public health or safety concern should only apply to short-term rentals if those same concerns apply equally to all other types of dwellings such as long-term rentals and single family homes or apartments. That concept is common sense, difficult to refute, and in no way preempts municipal authority. It is simply asking that short-term rental properties be provided **equal treatment under the law**. Opposition also claims this bill will inhibit the ability of local governments to protect the integrity of residential neighborhoods yet the bill explicitly states that short-term rentals must comply with local ordinances such as noise control, nuisance, and traffic regulations and also outlines ramifications for non-compliance. In fact, this bill does nothing to alter the legislative intent of the original statute but simply provides much needed clarity to avoid potential legal misunderstandings.

Opposition to this bill is clearly about cities wanting to maintain the authority to overregulate and overtax short-term rentals to the extent that it becomes no longer financially viable for short-term rentals to continue to operate. These cities want a loophole that will allow them to undo the intent of the current statute if and when they so choose even though the current statute states that '**neither a county nor a city may enact or enforce any ordinance that has the express or practical effect of prohibiting any type of short-term rentals or vacation rentals in the county or city**'.

Consequently, the reality here is that failure to pass this legislation protecting short-term rentals could very well result in the **complete elimination of short-term rentals in our state** despite the legislature recognizing in 2017 their importance to the Idaho tourism industry and their valuable contributions to the economy of our state. The ramifications of the loss of the services provided by short-term rentals would be nothing but negative for Idaho from an economic standpoint.

Similarly, the loss of those services from the standpoint of the consumer who stands to lose affordable options for traveler accommodations would make it more difficult financially for Idahoans that love to explore the beauty of our great state. Further, the elimination of short-term rentals would have serious consequences for those Idahoans that may rely on that extra income from their short-term rental to make ends meet or that may have made long-term financial decisions to invest in rental property to supplement their income during retirement.

In short, failure to pass this legislation yields nothing but negative consequences for Idaho and Idahoans. I humbly ask for your support of bill 1162.

Eric Buckeye
3769 S Gekeler Ln #156
Boise ID 83706

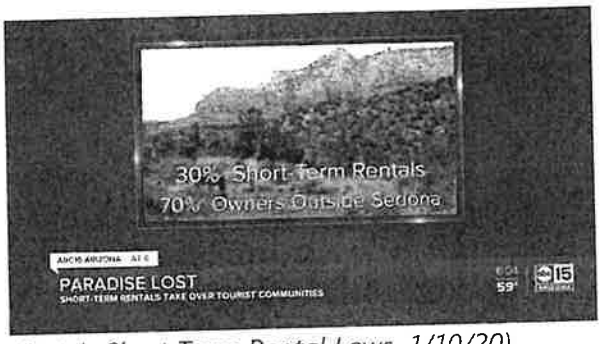
IDAHO IS CONSIDERING SIMILAR DEVASTATING LEGISLATION ARIZONA REPEALED IN 2022

OPPOSE SB 1162

Arizona Legislators Passed a Similar Bill to Limit Local Control of Short-term Rentals In 2016. The Impact was Devastating.

ARIZONA LAW ENABLED COMMERCIAL AIRBNBS TO TAKE OVER COMMUNITIES

ABC 15 – ARIZONA: "Arizona's state legislation blocked local governments from regulating short-term rentals. The bill also allowed investors to buy homes and property and turn them into short-term rental properties. **In Sedona, 30 percent of homes are now short-term rentals. Nearly 70 percent of short-term rentals are owned by LLC's or people who do not live in Sedona. Sedona relies on long-term rental housing for people who work there."**



(ABC 15-ARIZONA: Sedona Community Asks Legislature To Change State's Short Term Rental Laws, 1/10/20)

IN 2022, ARIZONA REPEALED MOST OF THE LAW AND IS CONSIDERING MORE LEGISLATION TO FIX THE DAMAGE CAUSED TO NEIGHBORHOODS

CHAMBER OF COMMERCE PRESIDENT SAID VACATION RENTAL BILL HURT SMALL BUSINESS: "Chamber officials reported receiving complaints from business owners fearing the lack of availability of affordable housing is driving away workers. Like the city officials, Sedona Chamber of Commerce President and CEO Jennifer Wesselhoff said early last year that her concern is not only affordable housing but potential impacts on visitor capacity. '**Affordable housing is already in limited supply and I believe this law virtually eliminates Sedona's chance to mitigate this issue.**'"

(Wrangler News: Airbnb-Type Lodging Again Focus Of Complaints, 8/7/19)

ARIZONA'S REPUBLICAN-CONTROLLED LEGISLATURE SCRAMBLED TO FIX

"We never anticipated that somebody would go into a neighborhood, purchase a home and turn it into a mini-hotel." **–Rep. Bob Thorpe (R-Flagstaff)**
(Arizona Republic, 7/26/19)

"People are coming in buying up property and turning them into party houses. Party houses are destroying neighborhoods." **–Rep. Jay Lawrence (R-Scottsdale)**
(Arizona Republic, 3/8/19)

"I'm a conservative. I'm big on property rights. But if I'm next to one of these houses, I've got property rights, too." **–Rep. John Kavanagh (R-Fountain Hills)**
(Arizona Republic, 3/28/19)

Meg Lawless

From: Ann Marie Anthony <ipnews@mac.com>
Sent: Wednesday, March 19, 2025 3:16 PM
To: Meg Lawless
Subject: Senate bill 1162

Please don't tie our hands in small community resort areas. I am against.

Ann Marie Anthony
4088 Winchester road
Island Park, ID
83429
PO Box 152
ipnews@mac.com
208-681-3080

Meg Lawless

From: Donald Shaff <dvshaff25@outlook.com>
Sent: Wednesday, March 19, 2025 1:55 PM
To: Meg Lawless; Senator Doug Ricks; Senator Ben Adams; Senator Scott Grow; Senator Kelly Anthon; Senator Treg Bernt; Senator Lori Den Hartog; Senator Ben Toews; Senator Ali Rabe; Senator Ron Taylor
Subject: SB 1162 Oppose

Chairman Ricks, members of the Committee,
I am Donald Shaff living in Boise and own a small second home in Boise County. The agenda I received today shows SB 1162 will have a one-hour or less hearing when I will have left town. I know a person with a short term rental in Round Valley in Valley County south of Highway 55. Someone last fall stole their entire wood pile my wife and I helped them split and load wood from our Boise County lot onto their trailer and pickup. I have heard of instances of short term renters partying until the morning hours disturbing neighbors. Stripping control of short term rentals from local governments leaves renters to abuse the property owners vulnerable to the abuses above and repairs to irresponsible behavior by some renters. Air B&Bs and VRBOs or independent owners can best be protected by control by local governments. Vote No on moving SB 1162 out of Committee.

Thank you for reading my written testimony.

application processed to allow us to use all four units as STR's once we were the new owners. We were advised by an administrative employee who overheard discussion in City Hall by City of Lava leadership of the impending sale, that only 50% (2 units) of the 4 plex would be allowed used as STR and they would enforce that on new owners.

18. When we produced the previous owner (the sellers) business license issued by the City of Lava that did not stipulate a 50% (2 unit maximum) only STR use (owing to the own historical ambiguity on the wording of old business licenses); the City of Lava motioned that they would use all means available to them to seek any legal injunction possible to stop us from using all 4 units as STR's if we went ahead, even though all 4 units were wholly within the STR zone. We were left completely confused as City Hall could not explain or uphold their own historical precedence or licensing rules.
19. When we asked why a new owner who wished to use the 4 units (as 4 STR's) in a different manner to the previous owner (4 LTR's), we were afforded no clear explanation from City Hall.
20. We were merely instructed to process a business application for consideration by the City of Lava Council.
21. We could not however process a business application on a property we had not closed a Sale and Purchase Agreement on under City of Lava rules.
22. Consequently, the $700,000.00 sale agreement fell through, and we lost our escrow money. This was solely because of the incompetence of the City of Lava leadership; their ambiguity related to their own ordinances and inability to explain or uphold precedence on the issuance of business licenses.
23. In conclusion the City of Lava used obfuscation, ambiguity and legal roadblocks against us and several other applicants to ensure they were able to maintain their own control of the City of Lava via ordinances that were in fact superseded by State Statutes.
24. Indirectly through their gross incompetence and deliberate attempts to protect their own business interests on Main St and their incomes; they have damaged the community ethos and cohesion of a small country town whose very existence is from the tourism that the town enjoys from the natural geothermal hot springs.
25. It appears that nostalgic isolationism ideologies and a good dose of nepotism are what drives the City of Lava leadership to protect their own business interests at the expense of the property rights of other citizens.

Signed:

Jade A. Beus and Morgan J. Ingmire

Jade A. Beus and Morgan J. Ingmire

60 E booth St,

PO Box 204

Lava Hot Springs

ID 83246

Officemanager.jhp@gmail.com

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