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## Short-Term Rental Legislation Passes Texas Senate, Heads to House

Hancock: "In Texas, we still believe property rights are a foundational freedom worth protecting"

**AUSTIN** - The Texas Senate today passed SB 451 authored by Senator Kelly Hancock (R-North Richland Hills). This legislation would prevent cities from imposing an outright ban on short-term rentals, which are commonly marketed on popular travel apps like HomeAway and Airbnb.

"Since short-term renting became mainstream, thousands of Texas homeowners have chosen to use their private property as a source of income to help make ends meet," said Hancock. "Nonetheless, a number of cities have banned the practice or are heading in that direction. In Texas, we still believe property rights are a foundational freedom worth protecting, and that's what this bill does."

Under SB 451, cities maintain their ability to set residential zoning restrictions, such as density or occupancy limits, and enforce traditional city ordinances. For instance, if a neighbor is too loud, they are subject to a municipal nuisance code violation and can be ticketed. The legislation does not inhibit a city's ability to regulate short-term rentals, but does prevent them from being banned outright.

The high demand for short-term rentals has contributed significantly to the Texas travel and tourism industry in recent years. In 2015 alone, short-term renting in Texas was associated with \$1.5 billion in economic activity. That number includes the economic impact of 16,000 permanent jobs, more than \$240 million in direct spending on lodging by short-term rental guests, and millions of dollars in additional spending on retail sales, ground transportation, food and beverage, and entertainment.

Having passed the Senate, SB 451 must now pass the Texas House of Representatives to become state law. To read the full text of the bill or follow its progress, visit <u>Texas Legislature Online</u>.

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Sen. Hancock represents <u>District 9</u>, which includes portions of Dallas and Tarrant Counties. He currently serves as Chairman of the Texas Senate Committee on Business & Commerce.