Indiana Governor Eric Holcomb has been sent legislation forbidding local governments from banning Airbnb and other short-term rental companies (STRs). Previously, cities in Indiana had, according to *The Indianapolis Star*, “prohibited people from renting out space that wasn't their primary residence on a short-term rental platform.” Missouri would be wise to follow Indiana's lead.

Cities across Missouri, including Kansas City and towns around St. Louis, have banned Airbnb outright in some areas. As we’ve written previously, this is an onerous and likely unconstitutional restriction on property rights. In 2017, home sharing advocates supported state legislation that would have pre-empted localities from imposing fees or prohibiting STRs outright, while permitting those subdivisions to impose “reasonable regulation” to “protect the public's health and safety.” It may have been those undefined regulatory allowances that killed that bill, as supporters abandoned the effort at the end. A similar bill is being considered by the Missouri legislature this session.

The economic case for home sharing is compelling. Contrary to opponents’ fears, home sharing seems to increase home values in the surrounding area. However this has raised the concern that it increases rents as is displaces available housing units, although it hasn't seemed to affect the hotel industry as much as hoteliers feared. As the industry matures, we will learn more about the consequences, intended or otherwise, of this new opportunity for homeowners.
Our guiding principle, however, must not be fear of change or of disruption, but protecting the economic freedom and individual liberty of Missourians. Protecting property rights against neighborhood NIMBYs remains a worthy endeavor.

Tags:
- Short-term rentals

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