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H.815

Introduced by Representatives Marcotte of Coventry, Toll of Danville, Viens
of Newport City, Batchelor of Derby, Beck of St. Johnsbury,
Feltus of Lyndon, Lawrence of Lyndon, Lefebvre of Newark,
Martel of Waterford, Quimby of Concord, Smith of Derby,
Willhoit of St. Johnsbury, and Young of Glover

Referred to Committee on

Date:

Subject: Health; food and lodging establishments; short-term rentals

Statement of purpose of bill as introduced: This bill proposes to require short-term rentals to be inspected and licensed in the same manner as lodging establishments. It requires short-term rentals to be treated as homesteads for property taxation purposes. It also directs the Department of Health to amend its rules on food and lodging establishments.

An act relating to the inspection, licensure, and taxation of short-term rentals

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 18 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

(a) As used in this subchapter:

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* * *

(14) “Short-term rental” means a furnished home, condominium, or other dwelling or any part thereof rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year.

* * *

Sec. 2. 18 V.S.A. § 4306 is amended to read:

§ 4306. INSPECTION

(a) It shall be the duty of the Commissioner to enforce the provisions of this chapter and of 6 V.S.A. § 3312(d), and he or she shall be permitted to inspect through his or her duly authorized officers, inspectors, agents, or assistants, at all reasonable times, an establishment or short-term rental, an ~~establishment's~~ establishment or short-term rental's records, and a salvage food facility subject to the provisions of this chapter.

(b) Whenever an inspection demonstrates that the establishment, short-term rental, or salvage food facility is not operated in accordance with the provision of this chapter, the officer, inspector, agent, or assistant shall notify the licensee of the conditions found and direct necessary changes.

1 Sec. 3. 18 V.S.A. § 4307 is amended to read:

2 § 4307. HEARING; ORDERS

3 When an inspection demonstrates that any establishment or short-term
4 rental is being maintained or operated in violation of the provisions of this
5 chapter or any related rules, the Commissioner shall provide written notice,
6 together with an order commanding both abatement of the violation and
7 compliance with this chapter within a reasonable period of time to be fixed in
8 the order. Under any related rules adopted by the Commissioner, a person
9 upon whom the notice and order are served shall be given an opportunity to be
10 heard and to show cause as to why the order should be vacated or amended.

11 When, upon a hearing, it appears that the provisions of this chapter have not
12 been violated, the Commissioner shall immediately vacate the order, but
13 without prejudice. When, however, it appears that the provisions have been
14 violated and the person fails to comply with an order issued by the
15 Commissioner under the provisions of this section, the Commissioner shall
16 revoke, modify, or suspend the person's license or enforce a civil penalty.

17 Sec. 4. 18 V.S.A. § 4351 is amended to read:

18 § 4351. LICENSE FROM DEPARTMENT OF HEALTH

19 (a) A person shall not operate or maintain a food manufacturing facility,
20 retail food establishment, lodging establishment, children's camp, seafood
21 vending facility, short-term rental, or any other place in which food is prepared

1 and served, unless he or she obtains and holds from the Commissioner a
2 license authorizing such operation. All licenses shall be displayed in a manner
3 as to be easily viewed by the public.

4 * * *

5 Sec. 5. 18 V.S.A. § 4352 is amended to read:

6 § 4352. APPLICATION

7 Prior to operating an establishment or short-term rental in which food is
8 prepared and served or in which ~~three or more~~ any number of lodging units are
9 offered to the public, a person shall apply to the Commissioner upon forms
10 supplied by the Department and shall pay a license fee as provided by section
11 4353 of this title. An application for licensure shall be submitted ~~no~~ not fewer
12 than 30 days prior to the opening of a food or lodging establishment or short-
13 term rental. Upon receipt of such license fee and when satisfied that the
14 premises are sanitary and healthful in accordance with the provisions of this
15 chapter and related rules, the Commissioner shall issue a license to the
16 applicant with respect to the premises described in the application.

17 Sec. 6. 18 V.S.A. § 4358 is amended to read:

18 § 4358. EXEMPTIONS

19 (a) The provisions of this subchapter shall apply only to those hotels, inns,
20 restaurants, tourist camps, short-term rentals, and other places that solicit the

1 patronage of the public by advertising by means of signs, notices, placards,
2 radio, electronic communications, or printed announcements.

3 * * *

4 Sec. 7. 32 V.S.A. § 5401(7)(H) is amended to read:

5 (H) A homestead ~~does~~ shall not include any portion of a dwelling that
6 is rented and a dwelling is not a homestead for any portion of the year in which
7 it is rented, except a homestead can include a short-term rental. As used in this
8 subdivision, "short-term rental" shall have the same meaning as in 18 V.S.A.
9 § 4301.

10 Sec. 8. RULEMAKING

11 The Commissioner of Health shall amend the food and lodging
12 establishment rules pursuant to 3 V.S.A. chapter 25 as follows:

13 (1) to create three categories of temporary lodging requirements:

14 (A) multifamily residences with or without an owner in residence;

15 (B) self-contained accessory residential units or single-family homes

16 that are not owner occupied; and

17 (C) single-family owner-occupied residences;

18 (2) to create three categories of temporary food establishments:

19 (A) full-service restaurants serving the general public;

20 (B) catering kitchens; and

1 (C) meal preparation or food service solely for guests of short-term
2 rentals.

3 Sec. 9. EFFECTIVE DATE

4 This act shall take effect on July 1, 2018.