

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General, Housing, and Military Affairs to which was  
3 referred Senate Bill No. 204 entitled “An act relating to the registration of  
4 short-term rentals” respectfully reports that it has considered the same and  
5 recommends that the House propose to the Senate that the bill be amended by  
6 striking out all after the enacting clause and inserting in lieu thereof the  
7 following:

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

9 § 4301. DEFINITIONS

10 (a) As used in this ~~subchapter~~ chapter:

11 \* \* \*

12 (14) “Short-term rental” means a furnished home, condominium, or  
13 other dwelling room or self-contained dwelling unit rented to the transient,  
14 traveling, or vacationing public for a period of fewer than 30 consecutive days  
15 and for more than 14 days per calendar year. A short-term rental shall not  
16 include a hotel, motel, inn, or bed and breakfast.

17 \* \* \*

18 Sec. 2. 32 V.S.A. chapter 225 is amended to read:

19 CHAPTER 225. MEALS AND ROOMS TAX

20 \* \* \*

1 § 9202. DEFINITIONS

2 The following words, terms, and phrases when used in this chapter shall  
3 have the meanings ascribed to them in this section unless the context clearly  
4 indicates a different meaning:

5 \* \* \*

6 (3) “Hotel” means an establishment ~~which~~ that holds itself out to the  
7 public by offering sleeping accommodations for a consideration, whether or  
8 not the major portion of its operating receipts is derived therefrom and whether  
9 or not the sleeping accommodations are offered to the public by the owner or  
10 proprietor or lessee, sublessee, mortgagee, licensee, or any other person or the  
11 agent of any of the foregoing. The term includes inns, motels, tourist homes  
12 and cabins, ski dormitories, ski lodges, lodging homes, rooming houses,  
13 furnished-room houses, boarding houses, and private clubs, as well as any  
14 building or structure or part thereof to the extent to which any such building or  
15 structure or part thereof in fact is held out to the public by offering sleeping  
16 accommodations for a consideration. The term shall not include the following:

17 (A) a hospital, licensed under 18 V.S.A. chapter 43 or a nursing  
18 home, residential care home, assisted living residence, home for the terminally  
19 ill, therapeutic community residence as defined pursuant to 33 V.S.A.  
20 chapter 71, or independent living facility;

1 (B) any establishment operated by any state or U.S. agency or  
2 institution, except the Department of Forests, Parks and Recreation of the State  
3 of Vermont;

4 (C) an establishment operated by a nonprofit corporation or  
5 association organized and operated exclusively for religious, charitable, or  
6 educational purposes, one or more, which, in furtherance of any of the  
7 purposes for which it was organized, operates a hotel as defined herein; ~~and~~

8 (D) a continuing care retirement community certified under 8 V.S.A.  
9 chapter 151; and

10 (E) a short-term rental as defined pursuant to 18 V.S.A. § 4301.

11 \* \* \*

12 § 9271. LICENSES REQUIRED

13 (a) Each operator prior to commencing business shall register with the  
14 Commissioner each place of business within the State where he or she operates  
15 a hotel or short-term rental or sells taxable meals or alcoholic beverages;  
16 provided, however, that an operator who sells taxable meals through a vending  
17 machine shall not be required to hold a license for each individual machine.  
18 Upon receipt of an application in such form and containing such information as  
19 the Commissioner may require for the proper administration of this chapter,  
20 the Commissioner shall issue without charge a license for each ~~such~~ place in  
21 such form as he or she may determine, attesting that ~~such~~ the registration has

1       been made. No person shall engage in serving taxable meals or alcoholic  
2       beverages or renting hotel rooms or short-term rentals without the license  
3       provided in this section. The license shall be nonassignable and  
4       nontransferable and shall be surrendered to the Commissioner if the business is  
5       sold or transferred or if the registrant ceases to do business at the place named.

6       (b) Each application shall indicate whether a license is sought for a hotel or  
7       short-term rental or to sell taxable meals or alcoholic beverages.

8       (c) An operator submitting an application for a short-term rental shall  
9       certify on the application forms published by the Department that the short-  
10      term rental is in compliance with the following provisions:

11           (1) The unit does not have any known violations of relevant State and  
12      local fire, life safety, and zoning laws and rules, and has all smoke and carbon  
13      monoxide detectors as required by 9 V.S.A. chapter 77.

14           (2) The unit is free of any evidence of insects, rodents, and other pests.

15           (3) If the unit uses water from a nonpublic water supply system, it does  
16      not have any known violations of Vermont's water supply rules.

17           (4) All sewage is disposed of through an approved facility, including  
18      either:

19           (A) a public sewage treatment plant; or

1           (B) an individual sewage disposal system that does not have any  
2           known violations of the Department of Environmental Conservation’s rules  
3           and other applicable sanitation requirements.

4           (5) Any advertisement for the short-term rental contains the operator’s  
5           meals and rooms tax account number provided by the Department.

6           (6) There is posted within the unit a telephone number for the person  
7           responsible for the unit and the contact information for the Attorney General’s  
8           Consumer Assistance Program and the Department of Public Safety’s Division  
9           of Fire Safety.

10           (d) The Department of Taxes shall establish a database that maintains [OR  
11           use existing information technology systems to maintain] information about  
12           each short-term rental in the State for which an operator has obtained a meals  
13           and rooms tax account number, including the operator’s name and contact  
14           information and documentation received pursuant to subsection (c) of this  
15           section.

16           (e) The following data maintained by the Department pursuant to  
17           subsection (d) of this section shall be available to the Department of Health  
18           and to the Department of Public Safety’s Division of Fire Safety for the  
19           purpose of ensuring the health and safety of the transient, traveling, or  
20           vacationing public:

21           (1) name of the operator;

- 1           (2) address of the operator’s primary residence;
- 2           (3) operator’s primary telephone number and e-mail address;
- 3           (4) short-term rental address; and
- 4           (5) meals and rooms tax account number associated with short-term
- 5           rental.

6           Sec. 3. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS

7           (a) The Commissioners of Health and of Taxes and the Executive Director  
8           of the Department of Public Safety’s Division of Fire Safety shall jointly  
9           prepare and publish on the websites of the Departments of Health, of Taxes,  
10           and of Public Safety educational materials for short-term rental operators,  
11           including:

- 12           (1) an explanation of the requirements in 32 V.S.A. chapter 225;
- 13           (2) a description of health and safety precautions that short-term rental
- 14           operators are advised to take; and
- 15           (3) information regarding the importance of and coverage options for
- 16           liability insurance.

17           (b) The Department of Taxes shall annually disseminate materials prepared  
18           and published pursuant to subsection (a) of this section to operators of short-  
19           term rentals licensed pursuant to 32 V.S.A. chapter 225. The Department may  
20           disseminate the materials electronically.

1        (c) As used in this section, “short-term rental” shall have the same meaning  
2        as in 18 V.S.A. § 4301.

3        Sec. 4. **DATA COLLECTION; REPORTS**

4        (a) The Attorney General’s Consumer Assistance Program and the  
5        Department of Public Safety’s Division of Fire Safety shall maintain records  
6        on all complaints received between July 1, 2018 and January 1, 2020  
7        pertaining to a short-term rental located in Vermont or the licensure process  
8        established pursuant to 32 V.S.A. chapter 225. This information shall be  
9        available to the Departments of Taxes and of Health for the purpose of  
10       completing the reports required pursuant to subsection (b) of this section.

11       (b) The Commissioners of Health and of Taxes and the Executive Director  
12       of the Department of Public Safety’s Division of Fire Safety shall jointly  
13       submit the following written reports to the House Committees on General,  
14       Housing, and Military Affairs and on Human Services and to the Senate  
15       Committees on Economic Development, Housing and General Affairs and on  
16       Health and Welfare:

17                (1) on or before January 1, 2019, a report detailing the progress in  
18                preparing for implementation of 32 V.S.A. chapter 225; and

19                (2) on or before January 1, 2020, a report addressing:

20                        (A) any gaps or weaknesses related to the regulation of short-term  
21                rentals pursuant to 32 V.S.A. chapter 225;

1           (B) data related to the number of licensed short-term rental units and  
2           the collection of taxes;

3           (C) the types of educational materials distributed to short-term rental  
4           operators; and

5           (D) whether any complaints have been received about short-term  
6           rentals or the licensure process established pursuant to 32 V.S.A. chapter 225,  
7           and if so, the nature of the complaints, the name of the entity receiving the  
8           complaints, and the process by which the complaints are addressed.

9           Sec. 5. EFFECTIVE DATE

10           This act shall take effect on January 1, 2019.

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13           (Committee vote: \_\_\_\_\_)

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\_\_\_\_\_

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Representative \_\_\_\_\_

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FOR THE COMMITTEE