

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 house, condominium,
13 or 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.

16 * * *

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

18 CHAPTER 225. MEALS AND ROOMS TAX

19 * * *

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. As used in this chapter, the term includes
17 “short-term rental” as defined in 18 V.S.A. § 4301. The term shall not include
18 the following:

19 (A) a hospital, licensed under 18 V.S.A. chapter 43 or a nursing
20 home, residential care home, assisted living residence, home for the terminally

1 ill, therapeutic community residence as defined pursuant to 33 V.S.A.

2 chapter 71, or independent living facility;

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

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

10 (D) a continuing care retirement community certified under 8 V.S.A.
11 chapter 151.

12 * * *

13 § 9271. LICENSES REQUIRED

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

1 she may determine, attesting that ~~such~~ the registration has been made. No
2 person shall engage in serving taxable meals or alcoholic beverages or renting
3 hotel rooms without the license provided in this section. The license shall be
4 nonassignable and nontransferable and shall be surrendered to the
5 Commissioner if the business is sold or transferred or if the registrant ceases to
6 do business at the place named.

7 (b)(1) Each application shall indicate whether a license is sought for a hotel
8 or to sell taxable meals or alcoholic beverages. If the application is sought for
9 a hotel, it shall further specify if the license is for a short-term rental.

10 (2) A short-term rental operator shall post the corresponding meals and
11 rooms tax account number on any advertisement for the short-term rental.

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

15 (1) The unit does not have any known violations of relevant State and
16 local fire, life safety, and zoning laws and rules, and has all smoke and carbon
17 monoxide detectors as required by 20 V.S.A. chapter 173.

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

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

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

3 (A) a public sewage treatment plant; or

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

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

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

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

18 (e) The following data maintained by the Department in accordance with
19 subsection (d) of this section shall be available to the Department of Health
20 and to the Department of Public Safety’s Division of Fire Safety pursuant to

1 subdivision 3102(d)(4) of this title for the purpose of ensuring the health and
2 safety of the transient, traveling, or vacationing public:

3 (1) name of the operator;

4 (2) address of the operator's primary residence or mailing address;

5 (3) operator's primary telephone number and e-mail address;

6 (4) short-term rental address; and

7 (5) meals and rooms tax account number associated with short-term
8 rental.

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

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

15 (1) an explanation of the requirements in 32 V.S.A. chapter 225;

16 (2) a description of health and safety precautions that short-term rental
17 operators are advised to take; and

18 (3) information regarding the importance of and coverage options for
19 liability insurance.

20 (b) The Department of Taxes shall annually disseminate materials prepared
21 and published pursuant to subsection (a) of this section to operators of short-

1 term rentals licensed pursuant to 32 V.S.A. chapter 225. The Department may
2 disseminate the materials electronically.

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

5 Sec. 4. DATA COLLECTION; REPORTS

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

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

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

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

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

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

5 (C) the types of educational materials distributed to short-term rental
6 operators and manner of distribution;

7 (D) the number of new short-term rental accounts opened pursuant to
8 32 V.S.A. chapter 225 since the passage of this act;

9 (E) the manner and extent to which the Departments of Health and of
10 Taxes and the Department of Public Safety's Division of Fire Safety have been
11 in communication with municipalities and the transient, traveling, or
12 vacationing public as a result of this act; and

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

17 Sec. 5. EFFECTIVE DATES

18 This act shall take effect on July 1, 2018, except Sec. 2 shall take effect on
19 January 1, 2019.

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1 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE