

1 TO THE HONORABLE SENATE:

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

7 Sec. 1. 18 V.S.A. chapter 85 is amended to read:

8 CHAPTER 85. FOOD AND LODGING ESTABLISHMENTS

9 * * *

10 Subchapter 7. Short-Term Rentals

11 § 4466. REGISTRATION OF SHORT-TERM RENTALS

12 (a) After January 1, 2019, a person shall not operate or maintain a short-
13 term rental unless he or she registers with the Department and obtains and
14 holds a valid certificate of compliance.

15 (b) Prior to offering for rent a short-term rental, a person shall register with
16 the Commissioner by completing forms published by the Department and
17 paying a registration fee as provided in section 4470 of this title.

18 (c) A person registering shall certify on the registration forms published by
19 the Department that the short-term rental is in compliance with the following
20 provisions:

1 (1) The unit is in compliance with relevant State and local fire, life
2 safety, and zoning laws and rules.

3 (2) Each guest room is free of any evidence of insects, rodents, and
4 other pests.

5 (3) All water from a nonpublic water supply system meets Vermont's
6 water supply rules.

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

9 (A) a public sewage treatment plant; or

10 (B) an individual sewage disposal system that is constructed,
11 maintained, and operated according to the Department of Environmental
12 Conservation's rules, and otherwise meets all applicable sanitation
13 requirements.

14 (5) Rooms taxes on the short-term rental unit required pursuant to
15 32 V.S.A. chapter 225 are either:

16 (A) not due and payable and all returns have been filed;

17 (B) due and payable and liability is on appeal; or

18 (C) due and payable and in compliance with a payment plan
19 approved by the Commissioner of Taxes.

1 (d)(1) The prospective registrant shall submit a registration application to
2 the Department not fewer than 14 calendar days prior to offering a short-term
3 rental for occupancy.

4 (2) The Department shall award an initial certificate of compliance
5 upon receipt of the applicant’s completed registration application and
6 registration fee. The certificate of compliance shall state that the registrant has
7 self-certified compliance with health and safety laws and regulations and that
8 the Department has not licensed or inspected the property.

9 (e) All certificates of compliance shall be displayed in a manner so as to be
10 easily viewed by the public.

11 (f) Any prospective registrant aggrieved by a decision of the Department
12 may appeal to the Board of Health pursuant to subsection 4351(e) of this title.

13 § 4467. TERM; CERTIFICATE OF COMPLIANCE

14 A certificate of compliance shall expire one year after its date of issuance
15 and may be renewed upon the payment of a new registration fee if the
16 certificate holder is in good standing with the Department.

17 § 4468. ADVERTISEMENT ON INTERNET-BASED PLATFORMS

18 A short-term rental registrant shall not advertise on an Internet-based
19 platform without both providing the platform with and posting publicly on the
20 platform the registrant’s certificate of compliance number issued by the
21 Department.

1 § 4469. INSPECTION

2 (a) The Commissioner may inspect through his or her duly authorized
3 officers, inspectors, agents, or assistants, at all reasonable times, a short-term
4 rental and the registrant’s records related to the short-term rental.

5 (b) Whenever an inspection demonstrates that the short-term rental is not
6 operated in accordance with the provisions of this chapter, the officer,
7 inspector, agent, or assistant shall notify the registrant of the conditions found
8 and shall direct necessary changes.

9 § 4470. FEES; REGISTRATION

10 The following fee shall be paid to the Department at the time of registration
11 or registration renewal:

12 Short-term rental — \$65.00.

13 § 4471. ENFORCEMENT

14 (a) If a person is found to be in violation of this subchapter, the
15 Commissioner shall issue a written notice and an order requiring both
16 abatement of the violation and compliance with this subchapter within a
17 reasonable period of time.

18 (b) A person upon whom the notice and order are served shall have an
19 opportunity for a hearing at which he or she may show cause for vacating or
20 amending the order. If it appears that the provisions of this chapter have not
21 been violated, the Commissioner shall immediately vacate the order without

1 prejudice. Conversely, if it appears that the provisions of this chapter have
2 been violated and the person fails to comply with the order issued by the
3 Commissioner, the Commissioner shall revoke, modify, or suspend the
4 person's certificate of compliance or enforce a civil penalty. **Notwithstanding**
5 section 4309 of this title, a person who violates this subchapter shall be fined
6 \$500.00 for each violation, and each day out of compliance shall be deemed a
7 separate violation.

8 **§ 4472. MUNICIPAL AUTHORIZATION**

9 A town, city, or incorporated village may use its ordinance authority to
10 provide for more stringent health and safety regulations than those provided in
11 this subchapter.

12 **Sec. 2. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS**

13 The Commissioner of Health shall prepare and publish on the Department's
14 website educational materials for short-term rental registrants, including **an**
15 explanation of all the requirements in 18 V.S.A. chapter 85, subchapter 7 and
16 information regarding liability insurance.

17 **Sec. 3. SHORT-TERM RENTAL ADVISORY BOARD**

18 (a) Creation. There is created the Short-Term Rental Advisory Board to
19 provide ongoing advice and expertise to the Commissioner of Health and
20 General Assembly regarding the regulation of short-term rentals.

- 1 (b) Membership. The Board shall be composed of the following eight
2 members:
- 3 (1) the Commissioner of Health or designee;
4 (2) the Commissioner of Tourism and Marketing or designee;
5 (3) the Commissioner of Taxes or designee;
6 (4) the Executive Director of the Department of Public Safety’s Division
7 of Fire Safety;
8 (5) a member appointed by the Vermont Lodging Association;
9 (6) a member appointed by the Vermont Inn and Bed and Breakfast
10 Association;
11 (7) an owner of a short-term rental in Vermont, appointed by the
12 Governor; and
13 (8) a representative of an online short-term rental property platform,
14 appointed by the Governor.
- 15 (c) Powers and duties. The Board shall monitor the implementation of
16 18 V.S.A. chapter 85, subchapter 7, including compliance with the provisions
17 of the subchapter, gaps in regulatory authority, and costs associated with
18 operating the program.
- 19 (d) Assistance. The Board shall have the administrative, technical, and
20 legal assistance of the Department of Health.

1 (e) Report. On or before January 1 of each year between 2020 and 2022,
2 the Board shall submit a written report to the House Committees on
3 Appropriations, on Commerce and Economic Development, and on Human
4 Services and to the Senate Committees on Appropriations, on Economic
5 Development, Housing and General Affairs, and on Health and Welfare with
6 its findings and any recommendations for legislative action.

7 (f) Meetings.

8 (1) The Commissioner of Health or designee shall call the first meeting
9 of the Board to occur on or before January 1, 2019.

10 (2) The Commissioner of Health or designee shall be the Chair.

11 (3) A majority of the membership shall constitute a quorum.

12 (4) The Board shall meet at least once each quarter.

13 (5) The Board shall cease to exist on January 1, 2022.

14 (g) Compensation and reimbursement. Members of the Board who are not
15 employees of the State of Vermont and who are not otherwise compensated or
16 reimbursed for their attendance shall be entitled to per diem compensation and
17 reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than
18 four meetings annually. These payments shall be made from monies
19 appropriated to the Department of Health.

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

1 Sec. 4. EFFECTIVE DATE

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

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9 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE