

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 does not have any known violations of relevant State and
2 local fire, life safety, and zoning laws and rules and has all smoke and carbon
3 monoxide detectors as required by 9 V.S.A. chapter 77.

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

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

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

10 (A) a public sewage treatment plant; or

11 (B) an individual sewage disposal system that does not have any
12 known violations of the Department of Environmental Conservation's rules
13 and other applicable sanitation requirements.

14 (5) The registrant of the short-term rental is aware of his or her
15 responsibility for the rooms tax described pursuant to 32 V.S.A. chapter 225
16 and other applicable local taxes and that failure to pay these taxes may result in
17 suspension or revocation of the registrant's certificate of compliance.

18 (d)(1) The prospective registrant shall submit a registration application to
19 the Department not fewer than 14 calendar days prior to offering a short-term
20 rental for occupancy, except for those reservations established prior to January
21 1, 2019.

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

7 (e) All certificates of compliance shall be displayed in a manner so as to be
8 easily viewed by those occupying the short-term rental unit.

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

11 § 4467. TERM; CERTIFICATE OF COMPLIANCE

12 A certificate of compliance shall expire one year after its date of issuance
13 and may be renewed, if the certificate holder is in good standing with the
14 Department, upon the payment of a new registration fee and the filing of a new
15 self-certification registration form pursuant to subdivision 4466(c) of this title.

16 § 4468. ADVERTISEMENT ON INTERNET-BASED PLATFORMS

17 A short-term rental registrant shall not advertise on an Internet-based
18 platform without posting publicly on the platform the registrant’s certificate of
19 compliance number issued by the 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 (c) Nothing in this section shall be construed to supersede the authority and
10 responsibilities of the Division of Fire Safety. The Division's Executive
11 Director shall inform the Commissioner in a timely manner of any enforcement
12 actions that the Division has taken against the registrant of a short-term rental.

13 § 4470. FEES; REGISTRATION

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

16 Short-term rental — \$65.00.

17 § 4471. ENFORCEMENT

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

1 (b) A person upon whom the notice and order are served shall have an
2 opportunity for a hearing at which he or she may show cause for vacating or
3 amending the order. If it appears that the provisions of this chapter have not
4 been violated, the Commissioner shall immediately vacate the order without
5 prejudice. Conversely, if it appears that the provisions of this chapter have
6 been violated and the person fails to comply with the order issued by the
7 Commissioner, the Commissioner shall revoke, modify, or suspend the
8 person’s certificate of compliance or enforce a civil penalty pursuant to section
9 4309 of this title, or both.

10 § 4472. MUNICIPAL AUTHORIZATION

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

14 Sec. 2. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS

15 (a) The Commissioner of Health shall prepare and publish on the
16 Department’s website educational materials for short-term rental registrants,
17 including an explanation of all the requirements in 18 V.S.A. chapter 85,
18 subchapter 7 and information regarding the importance of and coverage
19 options for liability insurance.

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

1 **Sec. 3. REPORTS**

2 (a) The Commissioner of Health shall submit the following written reports
3 to the House Committees on Commerce and Economic Development and on
4 Human Services and to the Senate Committees on Economic Development,
5 Housing and General Affairs and on Health and Welfare:

6 (1) on or before September 1, 2018 and on or before January 1, 2019, a
7 report detailing the Department's progress in preparing for implementation of
8 18 V.S.A. chapter 85, subchapter 7; and

9 (2) on or before January 1, 2020, a report identifying any gaps or
10 weaknesses related to the regulation of short-term rentals pursuant to
11 18 V.S.A. chapter 85, subchapter 7 and any recommendations for legislative
12 action.

13 (b) In preparing the reports required pursuant to subsection (a) of this
14 section, the Commissioner shall consult with and accept written comments
15 from the following:

16 (1) the Commissioner of Tourism and Marketing or designee;

17 (2) the Commissioner of Taxes or designee;

18 (3) the Executive Director of the Department of Public Safety's Division
19 of Fire Safety;

20 (4) the Vermont Lodging Association;

21 (5) the Vermont Inn and Bed and Breakfast Association;

1 (6) one or more owners of short-term rentals in Vermont;

2 (7) one or more representatives of an online short-term rental property

3 platform operating in Vermont; and

4 (8) one or more members of the Vermont traveling and vacationing

5 public with significant experience using an online short-term rental property

6 platform to rent short-term rentals.

7 (c) As used in this section, “short-term rental” shall have the same meaning

8 as in 18 V.S.A. § 4301.

9 Sec. 4. EFFECTIVE DATE

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

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13 (Committee vote: _____)

14

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Senator _____

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FOR THE COMMITTEE