

No. 10. (Special Session) An act relating to short-term rentals.

(S.6)

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

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

CHAPTER 85. FOOD AND LODGING ESTABLISHMENTS

Subchapter 1. Food and Lodging Establishments Generally

§ 4301. DEFINITIONS

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

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(14) “Short-term rental” means a furnished ~~home~~ house, condominium, or other dwelling room or self-contained dwelling unit 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.

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§ 4302. GENERAL REQUIREMENTS

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(b) A person shall not engage in the business of conducting a lodging establishment, short-term rental, or children’s camp under unclean, unsanitary, or unhealthful conditions.

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Subchapter 7. Short-Term Rentals

§ 4466. INSPECTION

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

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

(c) Nothing in this section shall be construed to supersede the authority and responsibilities of the Division of Fire Safety. The Division's Executive Director shall inform the Commissioner in a timely manner of any enforcement actions that the Division has taken against the registrant of a short-term rental.

§ 4467. POSTING CONTACT INFORMATION

A short-term rental operator shall post within the unit a telephone number for the person responsible for the unit and the contact information for the Department of Health and the Department of Public Safety's Division of Fire Safety.

§ 4468. EDUCATIONAL MATERIALS

(a) The Department of Health, in collaboration with the Department of Public Safety's Division of Fire Safety, shall prepare a packet of information pertaining to the health, safety, and financial obligations of short-term rental

operators, including information regarding the importance of reviewing options for property and liability insurance with the operator's insurance company.

(b) Included with the information packet set forth in subsection (a) of this section shall be a self-certification form pertaining to health and safety precautions that short-term rental operators must take into consideration prior to renting a unit. The form shall be retained by the operator and need not be filed with the Department.

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

CHAPTER 225. MEALS AND ROOMS TAX

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§ 9202. DEFINITIONS

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

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(3) "Hotel" means an establishment ~~which~~ that holds itself out to the public by offering sleeping accommodations for a consideration, whether or not the major portion of its operating receipts is derived therefrom and whether or not the sleeping accommodations are offered to the public by the owner or proprietor or lessee, sublessee, mortgagee, licensee, or any other person or the agent of any of the foregoing. The term includes inns, motels, tourist homes and cabins, ski dormitories, ski lodges, lodging homes, rooming houses,

furnished-room houses, boarding houses, and private clubs, as well as any building or structure or part thereof to the extent to which any such building or structure or part thereof in fact is held out to the public by offering sleeping accommodations for a consideration. As used in this chapter, the term includes “short-term rental” as defined in 18 V.S.A. § 4301. The term shall not include the following:

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

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

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

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

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§ 9282. SHORT-TERM RENTAL OPERATORS

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

(b) The Department shall disseminate the information packet prepared by the Department of Health pursuant to 18 V.S.A. § 4468 to a short-term rental operator when the operator first registers a unit. The operator of a unit registered prior to July 1, 2018 shall receive an information packet from the Department prior to July 1, 2019.

Sec. 3. DATA COLLECTION; REPORTS

(a)(1) The Department of Health and the Department of Public Safety's Division of Fire Safety shall maintain records on all complaints received between July 1, 2018 and January 1, 2020 pertaining to a short-term rental located in Vermont.

(2) On or before January 15, 2020, the Commissioner of Health, in collaboration with the Executive Director of the Department of Public Safety's Division of Fire Safety, shall submit a written report to the House Committees on General, Housing, and Military Affairs and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare addressing whether any complaints have been received about short-term rentals, and if so, the nature of the complaints, the name of the entity receiving the complaints, and the process by which the complaints are addressed.

(b) On or before January 15, 2019, the Commissioner of Taxes, in collaboration with the Commissioner of Health and the Executive Director of the Department of Public Safety's Division of Fire Safety, shall present to the House Committees on General, Housing, and Military Affairs and on Ways and Means and to the Senate Committees on Economic Development, Housing and General Affairs and on Finance information on the number of short-term rental units in Vermont, the number of short-term rental operators, and the progress in implementing this act to date.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

Date Governor signed bill: June 28, 2018