

S. 311

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Senate Economic Development, Housing and General Affairs Committee – February 14, 2024

The Vermont Chamber of Commerce represents businesses of all sizes, from every industry, across every region of Vermont. Member engagement is critical to informing our advocacy work – our lodging council is a direct conduit to the industry and is comprised of varying sizes and types of properties from across the state. We appreciate the opportunity to weigh in on the short-term rental provisions in S.311 with a focus on providing some additional context to the Licensed Lodging Establishment Rule.

Licensed lodging properties and short-term rentals both serve the primary purpose of offering temporary overnight accommodations to guests. Ultimately, the choice between a short-term rental and a licensed lodging property depends on the traveler’s needs and preferences. However, these two offerings which both support Vermont’s visitor economy (which welcomes 13 million visitors each year) operate under very different regulatory landscapes.

The [Licensed Lodging Establishment Rule](#) in Vermont encompasses comprehensive health and safety regulations, inspections, and licensing requirements for lodging properties. It ensures these properties adhere to strict standards for the safety and well-being of guests. While it is regulatory in nature, it is also an educational tool and a clear roadmap for operations.

The Vermont Chamber supports the following:

- I. As proposed in Section 40, shift rulemaking authority back to the Department of Health. Due to the overlap in services provided by short-term rentals and licensed lodging properties, this will establish the expectation that health and safety rules should be more closely aligned with the following [Licensed Lodging Property Rule](#) provisions. This would also create administrative continuity for this type of rule. Sections with overlap in services between short-term rentals and licensed lodging properties should be considered for any short-term rental regulatory updates:
 - i. Imminent Health Hazard
 - ii. General Requirements for Licensed Lodging Establishments
 - iii. Guest and Public Safety
 - iv. Guest Rooms
 - v. Dishware and Utensils
 - vi. Housekeeping and Laundry Facilities
 - vii. Poisonous and Toxic Materials
 - viii. Public Indoor Areas
 - ix. Ice and Ice Dispensing

- x. Exterior Premises and Grounds
- xi. Swimming Pools, Recreational Facilities, and Hot Tubs
- xii. Water Supply Systems
- xiii. Sewage Systems
- xiv. Electrical Systems
- xv. Plumbing Systems
- xvi. Heating, Ventilation and Air-Conditioning (HVAC) Systems

If this were to be implemented as outlined, subsection 6 pertaining to pools, recreation water facilities, space, and related facilities could be eliminated as it would be duplicative.

- II. If, instead, the decision is made to keep the regulation of short-term rentals under the Division of Fire Safety, we would recommend that what is outlined above be established for the Division of Fire Safety to ensure consistency for health and safety rules with the Department of Health.
- III. If the [Short Term Rental Safety, Health and Financial Obligations form](#) is the standard to be adopted it should be amended to provide clarity on requirements that shall be met by short-term rental operators. Our recommendation is to provide continuity between recommendations made for short-term rentals and requirements for licensed lodging establishments where there is overlap. For example:

Current: *‘Sewage system and toilets function and are in good repair’*

Recommended:

Sewage Systems. The following requirements shall be met:

- All sewage shall be disposed of through an approved facility, including one of the following:
 - A public sewage treatment plant; or
 - An individual sewage disposal system that is constructed, maintained, and operated according to Vermont Department of Environmental Conservation requirements, and meets all applicable sanitation requirements.
- A temporary sewage disposal facility shall be allowed only as approved by the Department or Vermont Department of Environmental Conservation
- All condensate drainage, rainwater, and other non-sewage liquids shall be drained from the point of discharge to disposal pursuant to Vermont Department of Environmental Conservation requirements.

- IV. The Vermont Chamber supports a requirement for paperwork/forms to be submitted to the governing agency. Currently, the form is supposed to be completed and retained onsite but there is no feedback loop currently in place because it is not required to be filed with a specific entity. Additionally, the form should be reviewed and completed annually.

- V. We recommend that short-term rentals have a document that is posted in a conspicuous location. Currently, the instructions on the Short Term Rental Safety, Health, and Financial Obligations form are that it be somewhere within the unit.

We see this as an opportunity to increase clarity and transparency, as well as ensure the health and safety of the traveling public. We appreciate the continued dialogue and look forward to remaining a resource.

Sources

- [Short-Term Rental Safety, Health and Financial Obligations Form](#)
- [Fire Safety Considerations for Short-Term Rental Operators](#)
- [Licensed Lodging Establishment Rule](#)