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H.200

Introduced by Representatives Kornheiser of Brattleboro, Colburn of
Burlington, and Pajala of Londonderry

Referred to Committee on

Date:

Subject: Housing; short-term rentals

Statement of purpose of bill as introduced: This bill proposes to impose a
residency requirement for the owner of a short-term rental property.

An act relating to regulating short-term rentals

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

Sec. 1. PURPOSE

The purposes of this act are to:

(1) maintain and protect Vermont's residential rental market;

(2) support property owners to stay in their homes;

(3) prevent real estate speculation; and

(4) ensure that short-term rental operators participating in the tourism

economy are subject to the same supports and restrictions governing other

lodging establishments.

1 Sec. 2. 18 V.S.A. chapter 85 is amended to read:

2 CHAPTER 85. FOOD AND LODGING ESTABLISHMENTS

3 Subchapter 1. Food and Lodging Establishments Generally

4 § 4301. DEFINITIONS

5 * * *

6 (9) “Lodging establishment” means a place where overnight
7 accommodations are regularly provided to the transient, traveling, or
8 vacationing public, including hotels, motels, inns, and bed and breakfasts.

9 “Lodging establishment” ~~shall~~ does not include short-term rentals.

10 * * *

11 (14) “Short-term rental” means all or part of a furnished ~~house,~~
12 ~~condominium, or other dwelling room or self-contained~~ dwelling unit ~~rented to~~
13 ~~the transient, traveling, or vacationing public~~ that is:

14 (A) offered to the public for a rental period of fewer than 30
15 consecutive days; and

16 (B) is rented for more than 14 days per calendar year.

17 * * *

18 Subchapter 4. ~~Bakeries~~ [Reserved.]

19 Subchapter 5. ~~Salvage Food Facilities~~ [Reserved.]

20 Subchapter 6. ~~Temporary Outdoor Seating~~ [Reserved.]

1 Subchapter 7. Short-term Rentals

2 § 4462. REGISTRATION OF SHORT-TERM RENTALS

3 (a) A person shall not operate or maintain a short-term rental unless he or
4 she registers with the Department and obtains and holds a valid certificate of
5 compliance.

6 (b) Prior to offering for rent a short-term rental, a person shall register with
7 the Commissioner by completing forms published by the Department and
8 paying a registration fee as provided in section 4464 of this title.

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

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

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

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

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

20 (A) a public sewage treatment plant; or

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

5 (5) All occupancy taxes on the short-term rental unit required pursuant
6 to 32 V.S.A. chapter 225 are paid in a timely manner.

7 (d)(1) The prospective registrant shall submit a registration application to
8 the Department no fewer than 14 calendar days prior to offering a short-term
9 rental for occupancy.

10 (2) The Department shall award an initial certificate of compliance
11 upon receipt of the applicant's completed registration application and
12 registration fee. The certification of compliance shall state that the registrant
13 has self-certified compliance with health and safety laws and regulations and
14 that the Department has not licensed or inspected the property.

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

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

1 § 4463. TERM; CERTIFICATE OF COMPLIANCE

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

5 § 4464. FEES; REGISTRATION

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

8 Short-term rental — \$130.00.

9 § 4465. ENFORCEMENT

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

14 (b) A person upon whom the notice and order are served shall have an
15 opportunity for a hearing at which he or she may show cause for vacating or
16 amending the order. If it appears that the provisions of this chapter have not
17 been violated, the Commissioner shall immediately vacate the order without
18 prejudice. Conversely, if it appears that the provisions of this chapter have
19 been violated and the person fails to comply with the order issued by the
20 Commissioner, the Commissioner shall revoke, modify, or suspend the

1 person's certificate of compliance or enforce a civil penalty pursuant to section
2 4309 of this title, or both.

3 § 4466. INSPECTION

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

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

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

15 § 4467. POSTING CONTACT INFORMATION

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

1 § 4468. EDUCATIONAL MATERIALS

2 (a) The Department of Health, in collaboration with the Department of
3 Public Safety's Division of Fire Safety, shall prepare a packet of information
4 pertaining to the health, safety, and financial obligations of short-term rental
5 operators, including information regarding the importance of reviewing options
6 for property and liability insurance with the operator's insurance company.

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

12 § 4469. RESIDENCY REQUIREMENT

13 A person may not offer all or part of a dwelling unit as a short-term rental
14 unless the person has occupied the dwelling unit as his or her primary
15 residence for:

16 (1) 270 days of the preceding year; or

17 (2) if the person has owned or leased the dwelling unit for less than a
18 year, more than 70 percent of the days that the person has owned or leased the
19 dwelling unit.

20 Sec. 3. EFFECTIVE DATE

21 This act shall take effect on July 1, 2021.