



October 18, 2023

Members Present: Richard Heilemann (Chair), Audrey Kolloff (Vice-Chair) [via Zoom], Anthony MacLaurin, Eric Dorsch [via Zoom], Christie Bronstein [via Zoom], Tom Scarnecchia [via Zoom]

Others Present: Deborah Towslee (Administrative Officer)

Call to Order: 11:01:50 AM by Dr. Heilemann

Changes to Agenda: None.

Motion: To approve minutes for the Regular Meeting of the Planning Commission September 20, 2023. Made by Ms. Kolloff, second by Mr. MacLaurin. Approved unanimously 11:02:13.

Short Term Rental Ordinance

Doctor Heilemann introduced the Short-Term Rental Ordinance returned to the commission after review by the Board of Trustees at their regular meeting October 2, 2023. Doctor Heilemann recommended discussing changes to the ordinance after sharing an impact study written by The Nelson A. Rockefeller Center at Dartmouth College (attached). Mr. Scarnecchia noted that it is important to recognize that businesses out of state purchasing homes merely to run them as rentals may constitute a change of use from a residential property to otherwise. Mrs. Bronstein noted from personal experience that homes rented by out-of-state owners are maintained very differently than homes rented seasonally by property owners who live in the home at points throughout the year. Mr. MacLaurin questioned capping the number of homes rented short-term. Mrs. Bronstein noted the legality of capping the number of short-term rental properties after which Doctor Heilemann referenced the legal challenges other municipalities have suffered attempting to limit the number of short-term rental properties.

After thorough deliberation Mrs. Kolloff recommended introducing the ordinance as it is - a tool to establish a reporting mechanism while further research will determine more robust reconsideration of the ordinance a year or more from now. Mr. Dorsch questioned changes the trustees made to the ordinance removing an individual designated as "officer" and inserting the trustees as the policing mechanism while also being the same body that would deliberate an appeal.

After discussing procedural concerns and changes to the legislation proposed by the PC ahead of trustees' review, Doctor Heilemann proposed eliminating all previous copies of the ordinance and submitting the originally proposed Short-Term Rental Ordinance for trustee review. Mrs. Kolloff reiterated that the committee is proposing the original ordinance out of the PC for trustee review changing only the registration fee from \$100.00 to \$300.00 and with Mr. Dorsch's final edits as identified. Approved unanimously 11:40:45.

Other Business:

Doctor Heilemann requested recommendations from the committee and volunteers to obtain letters from local businesses in support of partnering with Bennington County Regional Commission to modernize the Village Bylaw utilizing state grant funds.

Motion: To adjourn. Made by Ms. Kolloff, second by Mr. MacLaurin. Approved unanimously 11:50:18.

Respectfully submitted,

Deborah Towslee
Administrative Officer



The Nelson A. Rockefeller Center at Dartmouth College
The Center for Public Policy and the Social Sciences

The Class of 1964 Policy Research Shop

SHORT-TERM RENTAL UNITS: REGULATIONS AND IMPACTS IN VERMONT

Policy Options to Address the Uneven Playing Field

Presented to the Vermont Senate Committee on Economic
Development, Housing and General Affairs

PRS Policy Brief 1920-08
May 14, 2020

Prepared By:
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This report was written by undergraduate students at Dartmouth College under the direction of professors in the Rockefeller Center. Class of 1964 Policy Research Shop (PRS) students produce non-partisan policy analyses and present their findings in a non-advocacy manner. The PRS is fully endowed by the Dartmouth Class of 1964 through a class gift in celebration of its 50th Anniversary given to the Center. This endowment ensures that the Policy Research Shop will continue to produce high-quality, non-partisan policy research for policymakers in New Hampshire and Vermont. The PRS was previously funded by major grants from the U.S. Department of Education, Fund for the Improvement of Post-Secondary Education (FIPSE) and from the Ford Foundation and by initial seed grants from the Surdna Foundation, the Lintilhac Foundation, and the Ford Motor Company Fund. Since its inception in 2005, PRS students have invested more than 70,000 hours to produce more than 200 policy briefs for policymakers in New Hampshire and Vermont.



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EXECUTIVE SUMMARY

The Vermont tourism industry has historically served as an effective source of tax revenue for the state. There are disparities in the taxation and regulation of traditional tourist lodging, like hotels, and the new and burgeoning short-term rental market. The Vermont Senate Committee on Economic Development, Housing and General Affairs is seeking to understand three main areas to better inform policy making for short-term rental units. These include: (1) the current tax, health and safety regulations for short-term rental units and how these regulations compare to more traditional bed and breakfasts, hotels and motels, (2) perspectives of stakeholders, and (3) the economic and social impacts of these short-term rentals on the individual, community, and state. The Committee seeks to understand how state regulations on short-term rentals compare with those in similar states. Ultimately, the legislature hopes to develop and implement a system of taxation and regulation for the growing pool of short-term rental units across the state. We will analyze the current state of regulation on short-term rentals, analyze its impacts, compare these regulations with states and localities with similar short-term rental markets and tourism sectors, and deliver recommendations based on our findings.



1. INTRODUCTION

Since its official launch in March 2008, Airbnb has facilitated 500 million guest stays at short-term rentals in more than 100,000 cities.¹ According to a 2017 report by the Vermont Department of Health, short-term rentals in Vermont account for 3,600 of the more than seven million active listings on Airbnb.² The Vermont state legislature reports that three-fourths of the listings are advertising whole-home rentals during which the host, or owner of the property, is away.³

The burgeoning short-term rental market has coincided with a housing crisis that has left many citizens of the state unable to find and maintain residences in long-term housing. This is particularly true in the tourist destinations of Chittenden, Rutland and Lamoille Counties.⁴ In recent years, these short-term rentals have brought tourists from across the country to Vermont and the option to rent part or all of their properties provides a secondary income for many in the Green Mountain state. The rentals have also caused conflict between permanent residents and tourists. The Vermont hotel industry has called for uniformity of regulations across industries. In 2017, the Vermont Department of Health commissioned the aforementioned report; it has since taken measures to attempt regulation of such listings. These measures will be discussed in more detail in section 3.2 of this report.⁵

The Vermont State Legislature seeks to balance the interests of the long-term residents, visitors, and business owners in the tourism industry. The recommendations offered in this document seek to achieve such a balance.

1.1 Tourism as a Consideration

Thirteen million people visit Vermont as tourists each year.⁶ The Vermont tourism industry accounts for ten percent of the state workforce—32,000 jobs—and \$2.8 billion in economic activity annually.⁷ When considering the impact of tourism and recreation on the Vermont economy, it is useful to compare its “local quotient” or the relative economic significance of its tourism with that of other states. Visitor accommodation represents three times more economic activity in Vermont than in other states in the northeast.⁸

According to January 2020 data provided by Liz DeBold Fusco, Northeast Press Secretary at Airbnb, “Vermont Airbnb hosts earned \$15.1 million during the ‘biggest weekends’ of 2019.” Approximately 69,800 guests arrived in Vermont during these five weekends. The dates of these high-traffic weekends are outlined in Appendix A and were provided via email by Ms. DeBold Fusco. These weekends aligned with holidays, including Columbus Day, President’s Day, Valentine’s Day, and the Saturday, Sunday and Monday immediately following Christmas. It is important to note tourism increases generally during those weekends, but Airbnb plays a key role in housing tourists.⁹



Tourism benefits local businesses, and consequently, local economies. According to an Airbnb survey of more than 35,000 responses from their host and guest community in the United States:

- 92 percent of Airbnb hosts say they recommend restaurants and cafes to guests.
- 56 percent of Airbnb hosts say they recommend cultural activities such as museums, festivals, and historical sites to guests.
- 55 percent of Airbnb hosts say hosting has helped them afford their homes.
- On average, Airbnb guests say 41 percent of their spending occurs in the neighborhood where they stay.¹⁰

Hosts of short-term rentals have also benefited financially. Since Airbnb was founded, hosts have earned over \$65 billion renting and sharing their homes. In 2019, Airbnb reached a landmark cumulative \$2 billion in tourist-related taxes that have been collected and remitted to local governments on behalf of our global host community over the past four years.¹¹ A table found in Appendix C, also provided via email by Airbnb, breaks down the number of guest arrivals to properties.

While the Vermont tourism industry appears to prosper, hotels and inns tell a different story. Darren Drevik, on behalf of the Vermont Inn and Bed and Breakfast Association, believes that inns and bed and breakfasts must adapt or be forced out of business by the price competitiveness of short-term rentals. Inns and bed and breakfasts claim they are being priced out of the market by short-term rentals. Free from much of the costly regulatory burden, hosts of short-term rentals can charge less per night, says Drevik. He believes adapting to include breakfast or experiences such as spas helps them stand out and stay in business.

2. PURPOSE STATEMENT

This report aims to support Vermont in exploring policy options available to regulate short-term rentals to ensure tax collection and health and safety standards. Already, partnerships have been forged with short-term rental platforms, such as Airbnb, to directly collect and deliver taxes from these stays. Ensuring oversight of health and safety measures has been more difficult.

3. CURRENT STATE OF AFFAIRS IN VERMONT

An existing scaffolding of regulation in the state of Vermont offers an opportunity to develop legislation on short-term rentals to meet the needs of the state.

3.1 Defining a Short-term Rental

A “short-term rental” is a rental of sleeping accommodations that is for less than one calendar month (or less than thirty consecutive days). Conversely, a rental for a calendar



month or more is a rental to a permanent resident that is not subject to Vermont meals and rooms tax and does not require informational reporting by an internet platform.¹²

3.2 Assessing the Current Market

Douglas Farnham, deputy commissioner of the Vermont Department of Taxes, estimates that Airbnb captures 50 percent of the short-term rental market and has generated a significant portion of the tax revenue collected.¹³ The three counties in which there is the greatest supply of Airbnb listings are also the counties which report a housing shortage. According to Airbnb, Chittenden County hosted the most guests in the state in 2018 — 72,300 — which generated \$9.1 million in host income. Rutland County was second with 51,400 guests generating \$7.9 million in income for hosts followed by Lamoille, Windham and Washington counties.¹⁴ A further breakdown shows listings from 71 Vermont towns on Airbnb. Burlington and Rutland have the most with 490 and 480 host properties respectively, according to data shared by Airbnb with the state Department of Taxes. Stowe is third with 330 hosts. The top three counties also have a vacancy range of five percent in Chittenden to 26.6 percent in Rutland in 2017.¹⁵ This is amongst the lowest vacancy rates in the state. The available homes tend to be mismatched with the needs of the community. There are few small homes that are affordable for the elderly or new homebuyers. Much of the housing stock (26.7 percent) was constructed 80 years ago.¹⁶ Most vacant houses in Vermont are secondary seasonal and recreational homes; the vacancy rate is uneven across the state. For example, nearly 47 percent of homes are vacant in Essex County, in the Northeast Kingdom. Conversely, just five percent are empty in Chittenden County. It is essential to understand the types of homes rented as short-term units in these counties, in particular.

Using AirDNA,¹⁷ a data visualization tool that presents short-term rental market data per community, we were able to conduct analysis of the “types” of short-term rentals and how frequently properties are listed in the areas with the greatest number of listings. In the top five municipalities with Airbnb listings (Rutland, Burlington, Stowe, Montpelier, and Dover), 68 percent of units are registered on Airbnb, 17.8 percent are listed exclusively on VRBO, and about 12.4 percent are listed on both. The majority of listings, 79.6 percent, are complete homes available for rent. This begins to build a case for short-term rentals affecting housing stock in the state. About 19.6 percent of the listings are rooms within a residence. These listings see an average occupancy rate of 53.2 percent.

3.2.1 Short-term Rentals and their relationship with the Greater Housing Crisis

“More than one in three Vermont households live in homes that consume unsustainably high portions of their income, according to estimates from the U.S. Census Bureau.”¹⁸ A report by the Urban Institute cites insufficient construction as one possible cause.¹⁹ Another contributor is the secondary home market. Workers in counties highly trafficked by tourists are unable to afford housing in the places in which they work. The Vermont state legislature



fears that short-term rentals could contribute to or exacerbate the affordable housing crisis. If secondary or tertiary homeowners can rent out their homes while they are away, these seasonal or recreational homes become economically feasible or even profitable. The short-term rental market may incentivize owners to take the properties off the long-term rental market.²⁰ A lack of long-term rental options hinders working class individuals from finding lodging near their jobs. Anecdotal evidence suggests properties are being purchased and immediately listed on sites like Airbnb.²¹ Some “super hosts” manage several properties at a time. The COVID-19 pandemic has hit these hosts particularly hard. A *Wall Street Journal* article from April 28, 2020 chronicles stories of those hosts who, once making “magical money,” are facing financial ruin as the short-term rental market dries up.²² Airbnb has pledged \$250 million dollars as of the end of April to support those hosts who have faced cancellations due to the pandemic.²³

3.3 Current Rules and Regulations

Vermont is among states like New York, California, and Wyoming where tourism plays a significant role in the economy. They are also on the forefront of seeking to regulate short-term-rental units. Many states are yet to take any steps to regulate the market. Any legislation that enforces stricter thresholds tends to be made by localities where short-term rentals are prominent. There are two main categories of regulation: health and safety regulation and tax remittance.

3.3.1 Health and Safety Regulations

Short-term rentals in Vermont are not held to the same health and safety regulations or standards of taxation as the traditional lodging and restaurant establishments in the state. In recent years, the state has taken measures to narrow this gap, but disparity remains. In conversation with Darren Drevik, on behalf of the Vermont Inn and Bed and Breakfast Association, he shared that this disparity is of greatest concern to hotel proprietors and innkeepers in the state of Vermont. They claim a lack of regulation unfairly advantages short-term hosts and drives down market price. They implore the state to even the playing field, by either increasing regulations on short-term rentals, or deregulating inns and hotels, and letting the market decide the rest.

Differences in health and safety standards have left many state legislators fearful that visitors to Vermont are not safeguarded against the actions of their hosts or the conditions of their homes. Legislators are especially concerned about those units run by absentee landlords who are not privy to the day-to-day, on-site operations. Measures taken by the state to execute inspections on short-term rental properties are hindered by a lack of information, resources, and cooperation from short-term renters. Current policies function as unfunded mandates with few mechanisms for enforcement.



Registration of short-term rentals is necessary if the state aims to enforce health and safety regulations equally between the hotel industry and short-term rentals. The Department of Public Safety—Division of Fire Safety has regulatory authority over all “public buildings” which includes buildings rented as accommodations regardless of duration.²⁴ The Department of Taxes has tried to disseminate an information packet to hosts prepared by the Department of Health “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.”²⁵

These short-term units do have fire safety requirements, including the use of smoke and carbon monoxide detectors, proper egress, and may also require change of use permits. Overall, there is a lack of the resources necessary to perform routine inspections of all short-term rentals within this category. The Division does respond to complaints, conduct fatality investigations, and issues change of use permits. The Division conducts annual inspections of residential care homes but not of rental housing or lodging facilities.²⁶ Therefore, without the initiative of the owner, there is a lack of follow through. Ultimately, very few homes are checked. Of the small percentage of registered short-term units, an even smaller subset of hosts initiates inspections.

Hotels, motels, and bed and breakfasts that fall under lodging establishments have to meet a higher bar of health and safety regulations, especially if they serve food. They are subject to frequent inspection to meet health standards for serving food. All these entities are registered with the state and need to be licensed to function. Registration fees for lodging establishments can range from \$130 to \$1,000.²⁷ Owners of these establishments describe requirements as uneven compared to the regulation compliance required for short-term renters.

3.3.2 Tax Remittance

Currently, there are several taxes scheduled to apply to short-term rentals. The first of these is the Meals and Rooms Tax. Vermont charges a nine percent Meals and Rooms Tax. This tax applies to any purchase of meals, alcohol sold in bars, and room rentals. The Vermont Department of Taxes writes “sleeping accommodations offered to the public for a consideration on premises operated by a private person, entity, institution, or organization are subject to the Vermont Meals and Rooms Tax if those rentals total fifteen or more days in any one calendar year.”²⁸ However, if lodging is rented to the same person for 30 or more consecutive days, different laws apply. This means that short-term rentals are legally obligated to file and pay the Vermont Meals and Rooms Tax. Since 2016, Airbnb has collected and filed these taxes for people using their site as a rental platform.²⁹ However, other popular rental sites such as VRBO do not perform this service. The individual landlord is responsible for charging and filing the tax.³⁰



There is also the Local Option Tax. Municipalities can choose to levy this tax on meals and alcohol, rooms, and/or any items subject to sales tax.³¹ Currently, there are 15 municipalities in Vermont that apply the tax to all sales taxable items and 19 that collect the Local Option Meals and Rooms Tax and Alcoholic Beverage Tax. Many of the same municipalities appear on both lists. In addition to those municipalities, the cities of Burlington, Rutland, and St. Albans collect their own local taxes on meals, lodging, entertainment, and alcoholic beverages.³²

Vermont also taxes all property state-wide to fund schools. Property falls into two categories: homestead or nonresidential.³³ Property cannot be considered a homestead if any of the following conditions are true: the owner is not a Vermont resident, it is leased more than 182 days a year, it is used exclusively for a commercial purpose (including rentals), it is a second home, camp, vacation, or summer cottage.³⁴ Property tax rates vary between towns. A statistical breakdown of the reports is provided in Table 1. Overall, there is not a significant difference in the property tax rates between homesteads and nonresidential properties.

Table 1. Variance in Vermont Property Tax Rates for FY 2020

Category	Minimum	Maximum	Mean	Median
Homestead	.9758 percent	2.2532 percent	1.5092 percent	1.5235 percent
Nonresidential	1.3143 percent	2.0528 percent	1.5886 percent	1.5864 percent

Source: Vermont Department of Taxes. FY20 Education Tax Rates. Vermont: 2019.³⁵

3.4 Intermediaries and Agreements

The key intermediaries that facilitate short-term rentals between hosts and guests are Airbnb and VRBO, now a subsidiary of HomeAway. A key difference is VRBO and HomeAway list full units only.³⁶

The introduction of short-term rentals has made collection of the Meals and Rooms Tax difficult and stakeholders in the traditional lodging and restaurant industries are calling on the legislature to create an even playing field for both markets. In 2016, Airbnb agreed to remit taxes directly to the Vermont Department of Taxes. In 2018, the booking site also passed onto the state \$7.8 million in rooms and meals and local option tax revenues.³⁷ Agreements with booking websites like the one made with Airbnb in 2016 have aided the state in collecting the once avoided Meals and Rooms taxes. However, this ad hoc system of an intermediary like Airbnb remitting taxes does not address the ability of the state to collect Meals and Rooms taxes from all of its short-term renters. Moving forward, the state may pursue similar agreements with other booking websites like VRBO to ensure more short-term rentals are remitting taxes.



4. CURRENT PRACTICE IN VERMONT LOCALITIES

Within Vermont, there exists a range of local regulation on short-term rentals. Some areas have a higher concentration of units and, as a result, regulate more strictly. These areas include Killington, Stowe and Burlington.

4.1 Killington³⁸

In January of 2020, the Town of Killington Planning Commission passed new zoning bylaws pertaining to short-term rentals. The town defines a short-term rental as “A furnished 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”. The new bylaws state that being or containing a short-term rental qualifies a building as a “public building” and makes it “subject to the jurisdiction of the State of Vermont Division of Fire Safety pursuant to 30 V.S.A. §2730(a)(1)(D).” Units with a capacity greater than eight occupants are required to obtain a Public Building Permit from the State of Vermont Division of Fire Safety. Smaller units can use a self-certification form instead. Short-term rental owners are also required to provide proof that the liability insurance for the unit applies to any injuries or damages resulting from use of the property as a short-term rental. These elements are required for a property to receive the zoning permit to be used as a short-term rental.

4.2 Stowe³⁹

In Stowe, single-family homes, condominium units, and apartments are permitted to be rented if the rental is for one week or longer. Rentals for less than that are considered to be lodging facilities and are only permitted within certain zoning districts. In addition, with approval, any house may be converted to a bed and breakfast. A bed and breakfast requires the owner or a permanent occupant to live at the bed and breakfast. Upon request, the State Fire Marshall will complete an inspection for safety code compliance. A typical inspection includes ensuring that there is code compliance in regards to egress windows, smoke and carbon monoxide alarms, stairways, and handrails. The current cost for an inspection is \$125. Homeowner insurance policies generally carry a “business activity exclusion.” In other words, any claim involving a “business activity” could rightfully be denied. Short-term rentals are considered a business, so any claims could be denied. Generally hosts will need a different type of insurance to cover damage and liabilities when you have short-term renters. Some companies, such as Airbnb, are offering some form of additional insurance.



4.3 Burlington

The more urban nature of Burlington differentiates it from other high-traffic tourist regions in Vermont. The city is currently in the early stages of short-term rental regulation. While ordinances have not yet been enacted, there is a proposed framework. Burlington plans to differentiate between individual rooms rented out within a larger unit and entire units being rented. The number of individual bedrooms that will be allowed to be rented depends on the zoning type of the property. Homes with one or two rented bedrooms would be exempt from a registration requirement. In residential districts, one parking space would be required for each rented bedroom or whole unit. The proposal includes expanding the current bed and breakfast zoning standards to apply to short-term rentals.⁴⁰ It also suggests limiting the number of whole-unit rentals per building based on the number of units in that building. These zoning regulations would not apply to units rented less than 10 consecutive and 30 total days in any 12-month period. The most significant proposed regulation would require that hosts be a resident of the property of the rental unit. The city believes this will decrease market competition. They also believe that limiting the number of units per building that can be rented on a short-term basis will increase the housing stock available to Burlington residents.

5. POLICY OPTIONS

We present five state-wide policy options for short-term rental regulation to meet previously articulated needs.

5.1 Mandate Registration and Enforcement

While registration with the state is mandatory, Airbnbs are exempt from the policy. Without enforcing registration of units or information reporting by internet platforms for short-term rentals, the state is less able to directly regulate health and safety via health and fire inspection. The state has oversight over registered units, but very few units per municipality are registered in the state. If Airbnb and VRBO units were to be registered, the state could account for more than 50 percent of the short-term rental market. In order to hold unit owners accountable for the health and safety of their visitors, this will need to change. Without knowing the number and locations of these properties, the Vermont Department of Health has no means of identifying and investigated units for compliance. For example, there are 870 units listed with Airbnb in Stowe and 850 units with Airbnb in Burlington compared to only 126 and 26 rental operators registered with the State of Vermont in these two locations. In all likelihood, many of these operators are using the Airbnb exemption to avoid registering. Using mechanisms that have enabled Airbnb to remit taxes to also register homes will be useful.

In all cases, there is a discrepancy in the number of operators registered with the state of Vermont, and the number of units listed. While one operator may be an absentee landlord



and own multiple units, it is unlikely that each of 26 operators owns an average of 32 units. Until a reliable count is possible—sometimes collected at the local level through the additional one percent local room and board tax—there will be great difficulty in ensuring adherence to health and safety regulation. In 2017, 75 percent of operators fall into the category of hosts with one-to-two listed units and the remaining 25 percent are rented through hosts with three or more units. These statistics tell a compelling story of under registration. Increasing funding and manpower dedicated to enforcing current legislation around registration may be essential first steps.

With effective registration, there are opportunities to institute oversight like in Florida where all units three stories or more in height must file every three years a certificate stating that any and all balconies, platforms, stairways, and railways have been inspected by a person competent to conduct such inspections and are safe, secure, and free of defects.⁴¹ It is mandated that the Department of Health will conduct inspections, but a lack of manpower and funding has created an attitude of discontent by innkeepers and bed and breakfast operators. They feel that the attempts by government regulators to level the playing field are half-hearted at best. Owners of short-term rentals can request an inspection, but few do. Moving toward requiring and enforcing registration, licensing, and inspection will require government to allocate additional resources to facilitate implementation.

5.2 Implement Insurance Requirements

In 2018, Act 10 of a special session of the Vermont legislature required the Department of Taxes to provide information about the importance of reviewing options for property and liability insurance for short-term rentals.⁴² It did not outline any specific insurance requirements. Most homeowners insurance policies include a “business activity exclusion” which means that many claims related to short-term rentals can be denied.⁴³ However, there are insurance agencies in Vermont that sell packages for short-term rental properties that include coverage for business-related claims. If hosts do not have these types of policies, they may have to assume responsibility for injuries, accidents, or damages occurring on or to their properties as a result of rental business. The state is already somewhat removed from this but implementing insurance requirements could help decrease potential numbers of lawsuits and may increase the safety of many properties since insurance agencies will not insure unsafe spaces. One thing to consider is that more comprehensive insurance policies are costlier, so those lower-income hosts who rent their homes as a means of necessary income may lose their ability to do so if they were required to buy more expensive policies.

5.3 Implement Local Policies at the State Level

Expanding policies already enacted in Vermont towns and cities to statewide legislation is a possibility in certain cases. For example, implementing minimum stays (one week or



more) as is the case in Stowe, reduces the competition with bed and breakfasts and hotels. Requiring hosts to live on the property (as is proposed in Burlington) decreases market competition. The difficulty with expanding some of these policies is that it does not take into account the variance in population density, primary activities driving tourism, and current housing stock issues of each town. Policies that are a good fit for Burlington may not be practical for the rural parts of the state. The tourism market in towns like Stowe and Killington may be more competitive than in other less resort-inclusive towns. It is worthwhile for the state to look at the policies proposed or already in place in these localities and selecting certain components of them is definitely feasible. However, it is important that they keep in mind similarities and differences between these small geographic areas and the state writ large.

Vermont is leading the way for statewide legislation to address short-term rental units. An option remains to decentralize the approach and have municipalities implement the conditions that best fit their local context.

5.4 Include Greater Restriction of the Market

As it relates to the housing stock shortage, short-term rentals can be further regulated as is the case in Massachusetts where tourism also plays a key role in its economy. In such states, only primary residences can be listed as short-term rentals. This could reopen housing stock because in municipalities with significant housing shortages such as Killington, Stowe or Burlington, 65-to-96 percent of the homes listed are entire houses.⁴⁴ This may restrict the economic benefits of tourism, and analysis of more effective ways to ensure affordable housing may require other policies that do not sacrifice the benefits of short-term rentals and the tourism they bring to cities. Zoning, construction subsidies and more can be approached to address a lack of available and affordable housing in these areas.

It may be important to regulate full home short-term rentals and short-term room rentals differently. In Kansas and Minnesota, the law defines the two entities differently: entire property, or multiple property rentals can be treated and regulated like inns, bed and breakfasts and hotels requiring health and safety thresholds to be met. These more specific definitions of hotel or guest house put limits on duration of stay, or number of beds on property to dissuade entire home rentals. This may allow elderly hosts to continue to preserve their supplemental income, reduce pressure on the housing stock, and discourage practices by absentee landlords who buy and rent out multiple properties that are in most ways the same as hotels and inns.

5.5 Expand Current Tax Remittance Policies

If the remittance of taxes is the highest priority, then entering agreements with VRBO and any other listing sites may be the best way to attain compliance. If the state does not want to take on responsibility for permitting or licensing rentals, it may seek to utilize the



platforms these vendors use, to remit the expected taxes. Allowing for audits, if necessary, will present an accountability measure.

6. ECONOMIC IMPACTS OF POSSIBLE LEGISLATION

Vermont is a leader in legislating short-term rentals at the state level. However, calculating and extrapolating the economic impact of stricter regulation is difficult. These changes have all happened in the last two-to-three years. Comprehensive data are not available yet. For example, it would be extremely interesting to understand the social and economic impact of new legislation in Massachusetts on insurance requirements and required registration of units. These fall within policy measures Vermont could consider, but around the country, there are no evaluations completed in regards to impact.⁴⁵ The Department of Taxes may also wish to look into declaration of short-term rental income on the individual and joint filings from owners of short-term rentals to assure that this income is captured and taxed appropriately.

7. CONCLUSION

Short-term rentals contribute positively to the Vermont tourism industry. Guests who use intermediaries like Airbnb and VRBO patronize local businesses, such as restaurants, and contribute to secondary revenue streams for their hosts. Short-term rentals are not regulated like the traditional hotel and restaurant industry. An agreement between Airbnb and the Vermont state legislature allows the intermediary to remit Meals and Rooms taxes. However, the state does not possess a comprehensive list of short-term rentals. This creates challenges around health and safety regulation and additional taxation. The recommendations outlined in this document include mandatory registration, implementation of insurance requirements, statewide uniformity of regulation, restriction of the market, expansion of taxation. It is difficult to predict the economic impact of the proposed recommendations. The Vermont state legislature may wish to consider such impact and feasibility before it implements these proposed recommendations.



Appendices

Appendix A. The “Biggest [Earning] Weekends” for Vermont Airbnb Hosts in 2019

2019 Weekend Dates	Total Guest Arrivals	Total Host Earnings	Upcoming 2020 Weekend Dates
December 27-29, 2019	16,900	\$5.2 million	December 25-27, 2020
October 11-13, 2019	15,500	\$2.3 million	October 9-11, 2020
February 15-17, 2019	14,200	\$3.3 million	February 14-16, 2020
January 18-20, 2019	11,800	\$2.5 million	January 17-19, 2020



Appendix B. 2019 Guest Arrivals and Total Host Income by County.

County	Total 2019 Guest Arrivals	Total 2019 Host Income
Addison	13,200	\$1.8 million
Bennington	34,300	\$6 million
Caledonia	16,500	\$2 million
Chittenden	88,800	\$12 million
Essex	1,500	\$200,000
Franklin	5,200	\$700,000
Grand Isle	400	\$50,000
Lamoille	58,000	\$11.2 million
Orange	6,800	\$700,000
Orleans	17,400	\$2.4 million
Rutland	70,700	\$11.5 million
Washington	43,500	\$6.3 million
Windham	52,700	\$7.5 million
Windsor	35,400	\$5.8 million



Appendix C. 2019 Vermont Listings and Total Host Earnings Annually by Municipality.

City	Current Active Listings	Inbound Guests (Annual)	Nights Typical Listing Hosted Per Year	Total Host Earnings (Annual)	Average Daily Rate
Rutland	1,100	66,700	25	\$10,600,000	\$139
Burlington	850	63,700	67	\$8,500,000	\$109
Stowe	870	40,300	22	\$8,400,000	\$152
Montpelier	390	17,900	29	\$2,700,000	\$102
Dover	290	16,000	25	\$2,400,000	\$135
Bennington	320	15,500	26	\$2,600,000	\$116
Ludlow	370	14,700	21	\$2,600,000	\$143
Newport	240	11,700	30	\$1,600,000	\$95
Wilmington	200	11,300	21	\$1,400,000	\$113
Brattleboro	170	11,300	52	\$1,300,000	\$94
Morristown	170	9,700	35	\$1,300,000	\$85
Lyndon	160	9,100	25	\$1,000,000	\$91
Middlebury (village)	230	8,400	30	\$1,200,000	\$104
Waitsfield	170	8,400	34	\$1,200,000	\$113
Rockingham	120	7,200	27	\$1,100,000	\$113
Manchester Center	130	6,800	22	\$1,200,000	\$123
Waterbury	100	6,800	46	\$1,000,000	\$113
Barre	170	6,700	19	\$900,000	\$94
Chester	110	6,400	38	\$800,000	\$106
Manchester	150	6,200	26	\$1,200,000	\$128
Colchester	100	5,800	43	\$1,000,000	\$115
South Burlington	70	5,300	47	\$600,000	\$85
Cambridge	150	4,600	29	\$600,000	\$100
Winooski	50	4,100	103	\$400,000	\$98
Saint Albans	90	3,500	39	\$500,000	\$87
Newfane	40	3,500	54	\$500,000	\$106
Richmond	50	3,200	47	\$400,000	\$100
Fairlee	40	3,200	45	\$400,000	\$106
Putney	50	2,800	44	\$400,000	\$114
Bristol	50	2,800	77	\$300,000	\$75
Rochester	40	2,600	42	\$400,000	\$100
Dorset	60	2,400	20	\$400,000	\$119



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Randolph	30	2,300	27	\$200,000	\$74
Arlington	50	2,200	45	\$300,000	\$106
Quechee	50	2,100	21	\$400,000	\$115
Hardwick	50	2,100	35	\$300,000	\$100
East Burke	40	2,100	41	\$300,000	\$107
Shelburne	30	2,000	40	\$300,000	\$87
Hyde Park	30	2,000	71	\$200,000	\$102
Hinesburg	30	2,000	72	\$300,000	\$117
Vergennes	40	1,900	53	\$200,000	\$105
Norwich	70	1,800	22	\$300,000	\$111
Cavendish	50	1,700	23	\$300,000	\$123
Plainfield	30	1,700	43	\$200,000	\$85
Bradford	20	1,600	69	\$200,000	\$66
Hartland	30	1,500	37	\$200,000	\$94
Johnson	20	1,500	29	\$200,000	\$107
Castleton	30	1,400	46	\$200,000	\$84
Greensboro	40	1,300	35	\$200,000	\$102
Windsor	30	1,300	71	\$200,000	\$75
Essex Junction	30	1,300	48	\$200,000	\$90
Barton	30	1,300	30	\$100,000	\$72
Wells	20	1,300	36	\$100,000	\$79
Williston	20	1,300	32	\$100,000	\$89
Glover	30	1,100	32	\$100,000	\$71
Northfield	30	1,100	60	\$100,000	\$80
Danville	20	1,100	39	\$100,000	\$71
Bethel	20	1,100	37	\$100,000	\$82
White River Jct.	40	1,000	12	\$200,000	\$106
Springfield	30	1,000	69	\$100,000	\$89
Saint Johnsbury	20	1,000	39	\$100,000	\$127
Jericho	20	990	35	\$100,000	\$107
Island Pond	30	920	45	\$100,000	\$65
Swanton	20	860	45	\$100,000	\$75
Pittsford	10	850	35	\$100,000	\$73
West Brattleboro	20	810	34	\$100,000	\$92
Brandon	10	680	34	\$100,000	\$71
Jeffersonville	30	620	13	\$100,000	\$134
Richford	10	590	18	\$100,000	\$115



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Marshfield	10	590	80	\$100,000	\$121
Barnet	20	580	24	\$100,000	\$104



Appendix D. Case Comparisons of Regulatory Provisions by State

This is a modified version of the <https://realtorparty.realtor/wp-content/uploads/2018/11/HTA-Chart-State-Short-Term-Rental-Regulation.pdf> table.

State	Regulatory Provisions
Alabama, Arkansas, Connecticut, Delaware, Georgia, Illinois, Iowa, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, South Dakota, Texas, Washington, West Virginia, Wyoming	There are no statewide statutes or regulations regarding short-term vacation rentals. Instead, all restrictions fall to the local jurisdictions where the rental properties are located.
Alaska	A person who is collecting rental income is deemed to be engaged in business activity and must obtain a business license from the Alaska Department of Commerce, Community, and Economic Development.
Arizona	A municipality may not prohibit vacation rentals or short-term rentals or restrict the use of or regulate vacation rentals or short-term rentals based on their classification, use or occupancy. However, a municipality may regulate such rentals for the purpose of protecting the public’s health and safety, “including rules and regulations related to fire and building codes, health and sanitation, transportation or traffic control, solid or hazardous waste and pollution control, and designation of an emergency point of contact.” A city or town may also adopt and enforce residential use and zoning ordinances, including those related to noise, protection of welfare, property maintenance and other nuisance issues. “Vacation rental” or “short-term rental” is defined as “any individually or collectively owned single-family or one-to-four-family house or dwelling unit or any unit or group of units in a condominium, cooperative or timeshare, that is also a



	<p>transient public lodging establishment or owner-occupied residential home offered for transient use.” “Transient” is any person who either at the person’s own expense or at the expense of another obtains lodging space or the use of lodging space on a daily or weekly basis, or on any other basis for less than 30 consecutive days.</p>
<p>California</p>	<p>In California, short-term vacation rentals are generally regulated by the local city or county. The rules vary by locality depending on minimum night stay, the percentage of occupancy taxes and reporting and licensing requirements. However, a statewide law imposes specific recordkeeping requirements on a person or entity, including a person employed by a real estate broker, who, on behalf of another, solicits or arranges, or accepts reservations or money, or both, for transient occupancies in a dwelling unit in a common-interest development, or an apartment building or complex, or in a single- family home. Such persons must also comply with all collection, payment, and recordkeeping requirements of a transient occupancy tax ordinance, if any, applicable to the occupancy. However, a real estate licensee may satisfy these requirements by compliance with the Real Estate Law. Another statewide law requires a rental listing platform such as Airbnb or VBRO to post a notice advising tenants who are listing a room or home to review their leases and insurance policies for restrictions on such activity.</p>
<p>Colorado</p>	<p>Colorado does not generally regulate short-term rentals, but the Real Estate Commission has taken the position that, although activities relating to these agreements are exempt from the definition of real estate brokerage, a broker must escrow funds coming into their possession involving short-term rental.</p>
<p>District of Columbia</p>	<p>Short-term rental operators must obtain city permits and hosts may only rent out their primary residence, not second or third homes. Hosts can only offer short-term rentals for up to 90 days a year when they are not present. The rules also prohibit tenants from renting out their units as vacation rentals. Fines for violating the law start at \$500 and go up to \$6,000.⁴⁶</p>



<p>Florida</p>	<p>The regulation of public lodging establishments is preempted to the state. However, a local government or local enforcement district may conduct inspections of public lodging establishments for compliance with the Florida Building Code and the Florida Fire Prevention Code. “A local law, ordinance, or regulation may not prohibit vacation rentals or regulate the duration or frequency of rental of vacation rentals,” except that this does not apply to any local law, ordinance, or regulation adopted on or before June 1, 2011. A public lodging establishment, including a “vacation rental”, must be licensed annually by the Department of Business and Professional Regulation, Division of Hotels and Restaurants.</p> <p>Any rules or regulations established by the operator of a vacation rental must be printed in the English language and posted in a prominent place within the rental. The operator must maintain at all times a register, signed by guests who occupy rental units within the establishment, showing the dates when the units were occupied and the rates charged for their occupancy. This register must be maintained in chronological order and available for inspection by the Division at any time. Operators need not make available registers which are more than two years old.</p> <p>Every public lodging establishment that is three stories or more in height must file every three years a certificate stating that any and all balconies, platforms, stairways, and railways have been inspected by a person competent to conduct such inspections and are safe, secure, and free of defects.</p> <p>A “vacation rental” means “any unit or group of units in a condominium or cooperative or any individually or collectively owned single-family, two-family, three-family, or four-family house or dwelling unit that is also a transient public lodging establishment but that is not a timeshare project”.</p> <p>A “transient public lodging establishment” is “any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings which is</p>
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	<p>rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests.”</p>
<p>Hawaii</p>	<p><i>Owner/Operator</i></p> <p>Each operator as a condition precedent to engaging or continuing in the business of furnishing transient accommodations must register with the Director of Taxation the name and address of each place of business within Hawaii subject to Chapter 237D.</p> <p>The registration, or in lieu thereof a notice stating where the registration may be inspected and examined, must at all times be conspicuously displayed at the place for which it is issued. Additionally, the name, phone number, and electronic mail address of the local contact must at all times be so displayed or made available</p> <p>Any advertisement, including an online advertisement, for any transient accommodation must conspicuously provide:</p> <ul style="list-style-type: none"> • the registration identification number or an electronic link to the registration identification number of the operator; and • the local contact’s name, phone number, and electronic mail address, provided that if this information is provided to the transient or occupant prior to the furnishing of the accommodation, this contact posting requirement is deemed satisfied. <p>Every person authorized under an agreement by the owner of transient accommodations located within Hawaii to collect rent on behalf of such owner must ensure that every written rental collection agreement displays on the first page of the agreement the name, address, social security or federal identification number, and, if available, the general excise tax license and transient accommodations tax registration numbers of the owner of the transient accommodations being rented, the address of the property being rented, and the following statement set forth in bold print and 10-point type size:</p>



	<p>“Hawaii transient accommodations taxes must be paid on the gross rents collected by any person renting transient accommodations in the state of Hawaii. A copy of the first page of the agreement, or of federal Internal Revenue Form 1099 stating the amount of the rents collected, shall be filed with the Hawaii Department of Taxation.”</p> <p>“Transient accommodations” means the furnishing of a room, apartment, suite, single-family dwelling, or the like to a transient for less than 180 consecutive days for each letting “that provides living quarters, sleeping, or housekeeping accommodations, or other place in which lodgings are regularly furnished to transients.”</p>
<p>Idaho</p>	<p>“Neither a county nor a city may enact or enforce any ordinance that has the express or practical effect of prohibiting short-term rentals or vacation rentals in the county or city.” However, they may “implement such reasonable regulations as it deems necessary to safeguard the public health, safety and general welfare in order to protect the integrity of residential neighborhoods in which short-term rentals or vacation rentals operate.” Such rentals must be classified as a residential land use for zoning purposes subject to all applicable zoning requirements.</p> <p>A local government may not regulate the operation of a short-term rental marketplace, such as Airbnb or VRBO.</p>
<p>Indiana</p>	<p>With regard to short-term rentals that are rented through a short-term rental platform, Indiana law:</p> <ul style="list-style-type: none"> • provides a short-term rental of an owner’s primary residence is a permitted residential use under any applicable local-government ordinance and may not be prohibited; • provides in the case of residential property that is not owner- occupied, a local unit of government (local unit) may require a special exception, special use, or zoning variance for the short-term rental of the property and may not interpret and enforce zoning regulations for a variance in a manner that is intended or has the effect of prohibiting or unreasonably restricting all short-term rentals of the property;



	<ul style="list-style-type: none"> • allows a local unit to regulate short-term rental of residential property only for specified purposes, such as fire and building safety, sanitation, noise, traffic control and nuisance issues; • allows a local unit to require an owner to obtain one permit for each property, regardless of the number of dwelling units or detached accessory structures on the property that the owner offers as a short-term rental; • allows a local unit to charge a fee of not more than \$150 for an initial permit and for a permit issued after the revocation of a permit, but prohibits a unit from charging a renewal fee; and • allows a local unit to limit or prohibit short-term rentals located within a conservancy district. <p>The law does not apply to:</p> <ul style="list-style-type: none"> • a zoning ordinance or any other ordinance adopted before January 1, 2018, that prohibits, regulates, or restricts short- term rentals in any manner; or • property owner associations, condominium associations, homeowner associations, or cooperatives.
<p>Kansas</p>	<p>If a short-term vacation rental meets the definition of a “hotel”, it must be licensed annually by the Department of Agriculture after a precensure inspection for compliance with Department lodging establishment regulations.</p> <p>If a short-term vacation rental meets the definition of a “guest house”, it is not required to have a lodging license, but it must be inspected if the Secretary of Agriculture receives a complaint concerning such guest house. ”Guest house” means “every building or other structure which is kept, used, maintained, advertised or held out to the public to be a place where sleeping accommodations are furnished for pay to transient or permanent guests. A guest house shall accommodate no more than seven guests in no more than three rooms furnished with sleeping accommodations, regardless of whether common facilities for the serving or preparation of food are maintained.”</p> <p>There are no other statewide statutes or regulations regarding short-term vacation rentals in Kansas.</p>



	<p>Instead, all restrictions fall to the local jurisdictions where the rental properties are located.</p>
Massachusetts	<p>The Department of Health “has determined that lodging provided through Airbnb or similar online services is subject to local licensure or permitting as a lodging house or bed and breakfast in the same manner as traditional lodging houses and bed and breakfast establishments are licensed or permitted.” Mass. Dep’t Health Memorandum, Licensing of Online Home Rental Services (May 16, 2014).</p> <p>Legislation passed by the legislature in 2018, H.B. 4841, would require operators to carry not less than \$1 million of liability coverage for each stay unless the hosting platform provides coverage. It also would allow a city or town to limit areas, number and length of the rentals and to require licensing or permitting and inspections of rental establishments.</p>
Minnesota	<p>If a vacation home rental property meets the definition of “lodging establishment” for Department of Health purposes, it must be licensed annually and be inspected at least every 24 months by the Department’</p> <p>“Lodging establishment” means “a building, structure, enclosure, or any part thereof used as, maintained as, advertised as, or held out to be a place where sleeping accommodations are furnished to the public as regular roomers, for periods of one week or more, and having five or more beds to let to the public.”</p>
Nebraska	<p>Nebraska lawmakers gave overwhelming approval to a bill that would prohibit cities from banning short-term housing rentals such as the ones advertised on online sites like Airbnb.⁴⁷</p>
New Hampshire	<p>New Hampshire does not generally regulate short-term vacation rentals. However, any advertisement for a short-term rental by print, display, publication, distribution, or online listing offering a short-term rental must include the meals and rooms license number of the operator. A “short-term rental” is defined as “the rental of one or more rooms in a</p>



	<p>residential unit for occupancy for tourist or transient use for less than 185 consecutive days.”</p>
<p>New York</p>	<p>In New York state, it unlawful to advertise occupancy or use of dwelling units in a class A multiple dwelling for occupancy that would violate the requirement that a class A multiple dwelling shall only be used for permanent residence purposes, meaning occupancy of a dwelling unit by the same natural person or family for 30 consecutive days or more. Class A multiple dwellings include “tenements, flat houses, maisonette apartments, apartment houses, apartment hotels, bachelor apartments, studio apartments, duplex apartments, kitchenette apartments, garden-type maisonette dwelling projects, and all other multiple dwellings except class B multiple dwellings.” Therefore, short-term rentals are not permitted in such buildings nor may they be advertised on platforms like Airbnb or VRBO for such purposes.</p>
<p>North Carolina</p>	<p>For purposes of North Carolina’s extensive Vacation Rental Act, a “vacation rental is defined as the rental of an apartment, condominium, single-family home, townhouse, cottage, or other property that is devoted to residential use or occupancy by one or more persons “for vacation, leisure, or recreation purposes for fewer than 90 days by a person who has a place of permanent residence to which he or she intends to return.” Exception: The Act does not apply to rentals to persons temporarily renting a dwelling unit when traveling away from their primary residence for business or employment purposes. A landlord or real estate broker and tenant must execute a vacation rental agreement, which is valid and enforceable only if the tenant has accepted the agreement as evidenced by:</p> <ul style="list-style-type: none"> • the tenant’s signature on the agreement; • the tenant’s payment of any monies to the landlord or broker after receipt of the agreement; or • the tenant’s taking possession of the property after his or her receipt of the agreement.



	<p>The required contents of the agreement are specified in § 42A-11, including the wording of a mandatory notice which must be conspicuously displayed on its face.</p> <p>Note: Any real estate broker who executes a vacation rental agreement that does not conform to the Act or fails to execute a vacation rental agreement is guilty of an unfair trade practice and is prohibited from commencing an expedited eviction proceeding as provided by the Act.</p> <p>Any advance payments, other than a security deposit received by the landlord or real estate broker must be deposited in a trust account in a federally insured depository institution or a trust institution authorized to do business in Illinois no later than three banking days after payment receipt. Disbursement and use, as well as refund of such funds are controlled by the Act.</p> <p>The Act specifies the grounds and procedures for expedited eviction of vacation rental occupants. It also sets forth procedures to be followed in instances where mandatory evacuations of the property are ordered by governmental authorities.</p> <p>A landlord must provide fit premises as described in the Act, which includes complying with all applicable codes and providing smoke alarms and carbon monoxide detectors. A tenant must maintain the vacation rental while in occupancy.</p> <p>A real estate broker who manages a vacation rental property on behalf of a landlord must:</p> <ul style="list-style-type: none">• manage the property in accordance with the terms of the written agency agreement signed by the landlord and broker;• offer vacation rental property to the public for leasing in compliance with all applicable federal and North Carolina laws, regulations, and ethical duties, including, but not limited to, those prohibiting;• notify the landlord regarding any necessary and follow the landlord’s direction in arranging for any such repairs;• verify that the landlord has installed operable smoke detectors and carbon monoxide alarms; and• verify that the landlord has annually placed new batteries in a battery-operated smoke detector or carbon monoxide alarm.
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<p>Rhode Island</p>	<p>A Rhode Island municipality may not prohibit an owner from offering a room, house, or other such residential unit through a hosting platform or prohibit a hosting platform from providing a person or entity the means to rent, pay for or otherwise reserve a residential unit.</p> <p>Legislation introduced in 2018, H.B. 8189, which would have significantly regulated short-term rentals statewide, did not pass.</p>
<p>South Carolina</p>	<p>The South Carolina Vacation Rental Act, S.C. Code Ann. §§ 27-50-210 to 270 (2018), applies to the rental of residential property for a period of fewer than 90 days. It governs vacation rental agreements, evidence of acceptance of such agreements, advance payment, and rental management company responsibilities.</p>
<p>Tennessee</p>	<p>A local governing body shall not:</p> <ul style="list-style-type: none"> • prohibit the use of property as a short-term rental unit; or • restrict the use of or otherwise regulate a short-term rental unit based on the unit’s classification, use, or occupancy. <p>A local governing body may, however:</p> <ul style="list-style-type: none"> • enact, maintain, or enforce a local law that regulates property used as a short-term rental unit if governing body demonstrates that the “primary purpose of the local law is the least restrictive means to protect the public’s health and safety;” or • “apply a local law that regulates land use to a short-term rental unit in the same manner as other residential dwellings.” <p>“Local laws” include those concerning residential use and other zoning matters, noise, property maintenance, and nuisance.</p> <p>A local governing body may limit or prohibit the use of a short-term rental unit to prohibit or restrict housing of sexual offenders, operation of specified residential treatment facilities licensed, selling of illegal drugs, selling of beer or alcoholic beverages or other activity that requires a permit or license under Title 57, or operation as an adult-oriented establishment.</p> <p>A short-term rental unit provider, or an online short-term rental unit marketplace on the provider’s behalf,</p>



	<p>must maintain at least \$500,000 in liability insurance or coverage to cover damage done or suffered by any person renting the unit.</p> <p>A short-term rental unit provider must comply with all requirements regarding fire sprinklers, smoke alarms, and carbon monoxide alarms.</p> <p>“Short-term rental unit” is defined as “a residential dwelling, including a single-family dwelling or a unit in a multi-unit building, such as an apartment building, condominium, cooperative, or time-share, that is rented wholly or partially for a fee for a period of less than thirty (30) continuous days.”</p>
Utah	<p>Municipalities and counties may not:</p> <ul style="list-style-type: none"> • enact or enforce an ordinance that prohibits an individual from listing or offering a short-term rental on a short-term rental website; or • use an ordinance that prohibits the act of renting a short-term rental to fine, charge, prosecute, or otherwise punish an individual solely for the act of listing or offering a short-term rental on a short-term rental website. “Short-term rental” is a residential unit or any portion of a residential unit that the owner or the lessee of the unit offers for occupancy for fewer than 30 consecutive days.
Vermont	<p>A person may not operate or maintain a lodging establishment, including a short-term rental, unless he or she obtains from the Commissioner of Health an annual license authorizing such operation.</p> <p>Exception: The licensing requirement applies only to those short-term rentals that solicit public patronage by advertising by means of signs, notices, placards, radio, electronic communications, or printed announcements</p> <p>The business of conducting a short-term rental may not be conducted under unclean, unsanitary, or unhealthful conditions. The Commissioner may inspect, at all reasonable times, a short-term rental and the registrant’s records related to it.</p> <p>A short-term rental operator must post within the unit a telephone number for the person responsible for the unit and contact information for the Department of</p>



	<p>Health and the Department of Public Safety’s Division of Fire Safety.</p> <p>“Short-term rental” is defined as “a furnished 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.”</p> <p>Note: The Department of Health is charged with preparing “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.”</p>
Virginia	<p>Any locality may, by ordinance, establish a short-term rental registry and require operators within the locality to register annually, providing the complete name of the operator and the address of each property in the locality offered for short-term rental by the operator.</p> <p>“Short-term rental” is “the provision of a room or space that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes, for a period of fewer than 30 consecutive days, in exchange for a charge for the occupancy”.</p> <p>Such an ordinance may not require a person to register if such person is:</p> <ul style="list-style-type: none"> • licensed by the Real Estate Board or is a property owner who is represented by a real estate licensee; • registered pursuant to the Virginia Real Estate Time-Share Act; • licensed or registered with the Department of Health, related to the provision of room or space for lodging; or • licensed or registered with the locality, related to the rental or management of real property, including licensed real estate professionals, hotels, motels, campgrounds, and bed and breakfast establishments. <p>Such an ordinance may also provide that an operator required to register may be prohibited from offering a specific property for short-term rental upon multiple violations on more than three occasions of applicable</p>



	<p>state and local laws, ordinances, and regulations, as they relate to the short-term rentals.</p>
Wisconsin	<p>Cities, villages, towns, and counties may not enact or enforce an ordinance that prohibits the rental of a residential dwelling for seven consecutive days or longer.</p> <p>If a residential dwelling is rented for periods of between seven and 28 consecutive days, cities, villages, towns, and counties may limit the total number of days within any consecutive 365-day period that the dwelling may be rented to no fewer than 180 days, and they may require that the days run consecutively.</p> <p>Anyone who maintains, manages, or operates a short-term rental for more than 10 nights each year must obtain a tourist rooming house license from the Wisconsin Department of Agriculture, Trade and Consumer Protection and also obtain a license for conducting such activities from the city, village, town, or county if any of these enact an ordinance requiring such a license.</p> <p>Short-term rentals are defined as “a residential dwelling that is offered for rent for a fee and for fewer than 29 consecutive days.”</p>



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