

REFERENCE TITLE: investor-owned short-term rentals; local regulation

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

HB 2087

Introduced by
Representative Kavanagh

AN ACT

AMENDING SECTIONS 9-500.39 AND 11-269.17, ARIZONA REVISED STATUTES;
RELATING TO LOCAL REGULATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-500.39, Arizona Revised Statutes, is amended
3 to read:

4 9-500.39. Limits on regulation of vacation rentals and
5 short-term rentals; state preemption; definitions

6 A. A city or town may not prohibit vacation rentals or short-term
7 rentals.

8 B. A city or town may not restrict the use of or regulate vacation
9 rentals or short-term rentals based on their classification, use or
10 occupancy. A city or town may regulate vacation rentals or short-term
11 rentals for the following purposes:

12 1. ~~Protection of~~ PROTECTING the public's health and safety,
13 including rules and regulations related to fire and building codes, health
14 and sanitation, transportation or traffic control, solid or hazardous
15 waste and pollution control, and designation of an emergency point of
16 contact, if the city or town demonstrates that the rule or regulation is
17 for the primary purpose of protecting the public's health and safety.

18 2. Adopting and enforcing residential use and zoning ordinances,
19 including ordinances related to noise, protection of welfare, property
20 maintenance and other nuisance issues, if the ordinance is applied in the
21 same manner as other property classified under sections 42-12003 and
22 42-12004.

23 3. Limiting or prohibiting hosting special events the use of a
24 vacation rental or short-term rental for the purposes of housing sex
25 offenders, operating or maintaining a sober living home, selling illegal
26 drugs, liquor control or pornography, obscenity, nude or topless dancing
27 and other adult-oriented businesses.

28 4. ENSURING THAT INVESTOR-OWNED VACATION RENTALS OR INVESTOR-OWNED
29 SHORT-TERM RENTALS COMPLY WITH RESIDENTIAL USE AND ZONING ORDINANCES IF
30 THE ORDINANCES ARE APPLIED IN THE SAME MANNER AS OTHER PROPERTY CLASSIFIED
31 UNDER SECTIONS 42-12003 AND 42-12004.

32 C. This section does not exempt an owner of a residential rental
33 property, as defined in section 33-1901, from maintaining with the
34 assessor of the county in which the property is located information
35 required under title 33, chapter 17, article 1.

36 D. For the purposes of this section:

37 1. "INVESTOR-OWNED" MEANS OWNED BY A PERSON THAT DOES NOT USE THE
38 PROPERTY AS THE PERSON'S PRIMARY OR SECONDARY RESIDENCE AS DETERMINED BY
39 THE COUNTY ASSESSOR.

40 ~~1.~~ 2. "Transient" has the same meaning prescribed in section
41 42-5070.

42 ~~2.~~ 3. "Vacation rental" or "short-term rental" means any
43 individually or collectively owned single-family or one-to-four-family
44 house or dwelling unit or any unit or group of units in a condominium,
45 cooperative or timeshare, that is also a transient public lodging

establishment or owner-occupied residential home offered for transient use if the accommodations are not classified for property taxation under section 42-12001. Vacation rental and short-term rental do not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

Sec. 2. Section 11-269.17, Arizona Revised Statutes, is amended to read:

11-269.17. Limits on regulation of vacation rentals and short-term rentals; state preemption; definitions

A. A county may not prohibit vacation rentals or short-term rentals.

B. A county may not restrict the use of or regulate vacation rentals or short-term rentals based on their classification, use or occupancy. A county may regulate vacation rentals or short-term rentals for the following purposes:

1. ~~Protection 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, if the county demonstrates that the rule or regulation is for the primary purpose of protecting the public's health and safety.

2. Adopting and enforcing residential use and zoning ordinances, including ordinances related to noise, protection of welfare, property maintenance and other nuisance issues, if the ordinance is applied in the same manner as other property classified under sections 42-12003 and 42-12004.

3. Limiting or prohibiting the use of a vacation rental or short-term rental for the purposes of housing sex offenders, operating or maintaining a sober living home, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.

4. ENSURING THAT INVESTOR-OWNED VACATION RENTALS OR INVESTOR-OWNED SHORT-TERM RENTALS COMPLY WITH RESIDENTIAL USE AND ZONING ORDINANCES IF THE ORDINANCES ARE APPLIED IN THE SAME MANNER AS OTHER PROPERTY CLASSIFIED UNDER SECTIONS 42-12003 AND 42-12004.

C. This section does not exempt an owner of a residential rental property, as defined in section 33-1901, from maintaining with the assessor of the county in which the property is located information required under title 33, chapter 17, article 1.

D. For the purposes of this section:

1. "INVESTOR-OWNED" MEANS OWNED BY A PERSON THAT DOES NOT USE THE PROPERTY AS THE PERSON'S PRIMARY OR SECONDARY RESIDENCE AS DETERMINED BY THE COUNTY ASSESSOR.

1 ~~1.~~ 2. "Transient" has the same meaning prescribed in section
2 42-5070.

3 ~~2.~~ 3. "Vacation rental" or "short-term rental" means any
4 individually or collectively owned single-family or one-to-four-family
5 house or dwelling unit or any unit or group of units in a condominium,
6 cooperative or timeshare, that is also a transient public lodging
7 establishment or owner-occupied residential home offered for transient use
8 if the accommodations are not classified for property taxation under
9 section 42-12001. Vacation rental and short-term rental do not include a
10 unit that is used for any nonresidential use, including retail,
11 restaurant, banquet space, event center or another similar use.