



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
First Regular Session

HB 2481: short-term rentals; enforcement; penalties

Sponsor: Representative Kavanagh, LD 23

Committee on Government & Elections

Overview

Makes various changes to statute relating to vacation and short-term rental properties.

History

The terms *vacation* and *short-term rentals* are defined in statute as any collectively or individually owned single or one-to-four-family house or dwelling unit that is also a transient public lodging establishment. Vacation and short-term rentals do not include a unit that is used for any nonresidential use, including banquet space, retail, restaurant, event center or another similar use.

Current statute prohibits a city, town or county from restricting the use of or regulating vacation or short-term rentals based on their classification, use or occupancy. A city, town or county is allowed to regulate vacation and short-term rentals for the following reasons:

- 1) Protecting the public's health and safety;
- 2) Adopting and enforcing residential use and zoning ordinances;
- 3) Limiting or prohibiting the use of a vacation or short-term rental for the purposes of housing sex offenders; and
- 4) Requiring the owner of a vacation or short-term rental to provide contact information for the owner or designee ([A.R.S. §§ 9-500.39, 11-269.17](#)).

Provisions

1. Allows a city, town or county to regulate a vacation or short-term rental as follows:
 - a) To adopt and enforce reasonable residential use and zoning ordinances;
 - b) To require the owner to license or register the vacation or short-term rental with the city, town or county; and
 - i. The city, town or county must report all verified violations of a licensed or registered vacation or short-term rental to the Arizona Department of Revenue.
 - c) To restrict the occupancy of a vacation or short-term rental to two adults per bedroom plus two additional adults or to the lesser of the occupancy limit of the city, town or county. (Sec. 1, 3)
2. Prohibits a vacation or short-term rental from advertising to exceed the occupancy limit of the dwelling for rental or any nonresidential use.
 - a) Specifies that a violation of the occupancy limit advertising is not a verified violation.
 - b) Allows a city, town or county to impose a civil penalty for each day the property is in violation. (Sec. 1, 3)
3. Maintains that a vacation or short-term rental is not subject to statute relating to residential rental inspection programs. (Sec. 1, 3)
4. Stipulates that a city, town or county may not regulate an online lodging marketplace. (Sec. 1, 3)

5. Designates a petty offense if an online lodging operator falsifies information to an online lodging marketplace. (Sec. 5)
6. States that a city, town or county may not prohibit the operation of a vacation or short-term rental based only on its status if the owner of the vacation or short-term rental has both of the following:
 - a) As of May 1, 2021, a valid transaction privilege tax license; and
 - b) As of June 2, 2021, provided the owner's or designee's contact information to the city, town or county where the vacation or short-term rental is located, if required by ordinance.
 - c) Specifies that the above requirements do not apply if the property changes title or ownership. (Sec. 6)
7. Adds a definition of *online lodging marketplace*. (Sec. 1, 3)
8. Modifies the definitions of *vacation rental* or *short-term rental* and *residential rental dwelling unit*. (Sec. 2, 4)
9. Makes technical and conforming changes. (Sec. 1-5)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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