



HOUSE BILL 922: Vacation Rental Act Changes.

2019-2020 General Assembly

Committee:

Introduced by: Reps. D. Hall, Lewis, Arp

Analysis of: First Edition

Date:

May 7, 2019

Prepared by:

Chris Saunders
Staff Attorney

OVERVIEW: *House Bill 922 would provide that properties subject to the Vacation Rental Act are also subject to the statutes governing local government enforcement of hazardous and unlawful conditions.*

[As introduced, this bill was identical to S483, as introduced by Sen. McInnis, which is currently in an unknown committee.]

BACKGROUND AND CURRENT LAW: The Vacation Rental Act was enacted in 1999 to regulate the competing interests of landlords, real estate brokers, and tenants when individuals rent privately owned residences to tourists for vacation, leisure, and recreational purposes. It provides protections to consumers who rent a vacation property for fewer than 90 days and imposes certain duties upon landlords, including the duty to comply with all applicable building and housing codes and to keep the property in a fit and habitable condition.

Cities and counties are authorized to perform periodic inspections for hazardous and unlawful conditions in buildings within their territorial jurisdiction when there is reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or unlawful conditions may exist in a residential building or structure. However, cities and counties are not authorized to do any of the following, among other things:

- Adopt or enforce any ordinance that would require any owner or manager of rental property to obtain any permit or permission from the local government to lease or rent residential real property or to register rental property with the local government, except when an individual rental unit has either more than four verified violations in a rolling 12-month period or two or more verified violations in a rolling 30-day period, or upon the property being identified within the top ten percent (10%) of properties with crime or disorder problems as set forth in a local ordinance.
- Require that an owner or manager of residential rental property enroll or participate in any governmental program as a condition of obtaining a certificate of occupancy.
- Levy a special fee or tax on residential rental property that is not also levied against other commercial and residential properties, unless expressly authorized by general law or applicable only to an individual rental unit or property with a certain number of verified violations, and the fee does not exceed five hundred dollars (\$500.00) in any 12-month period in which the unit or property is found to have verified violations.

BILL ANALYSIS: House Bill 922 would provide that the existing statutes authorizing local governments to perform periodic inspections for hazardous and unlawful conditions, and limiting local

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

House Bill 922

Page 2

governments' ability to regulate residential real property, apply to properties covered by the Vacation Rental Act.

EFFECTIVE DATE: This act would be effective when it becomes law.