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HOUSE BILL NO. 824

Offered January 10, 2018

Prefiled January 9, 2018

A *BILL to address local ordinances concerning the regulation of short-term rentals in the City of Lexington.*

Patron—Knight

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. § 1. *Notwithstanding any contrary provision of law, general or special, any ordinance in effect and any ordinance adopted by the governing body of the City of Lexington ("the City") shall comply with each of the following provisions:*

1. *The provisions of this act apply to all short-term rentals, whether the City ordinance refers to such rentals as "45 Nights or Less Rentals" or by any other terms.*

2. *The provisions of this act shall be construed to prohibit, limit, or otherwise supersede any existing local authority of the City to regulate the short-term rental of property through its general land use and zoning authority or any other local authority through its charter or through any provision of Title 15.2 of the Code of Virginia.*

3. *The City shall not regulate rental of real property except for such rentals that are for a period of fewer than 30 consecutive days, in compliance with § 15.2-983 of the Code of Virginia.*

4. *The City shall not require a business license for, nor require payment of license taxes by, any person engaged in the rental of real property, in compliance with subdivision C 7 of § 58.1-3703 of the Code of Virginia. Any business license that was illegally required by any ordinance in effect regulating short-term rentals shall be null and void, and any license taxes illegally collected for short-term rentals subject to any ordinance in effect shall be refunded on or before September 30, 2018, to the taxpayer who paid such tax, with interest at the rate of five percent per annum.*

5. *The City shall refund tax payments to any taxpayer who was illegally required to pay transient occupancy taxes for rental of real property for more than 30 days as prohibited by § 58.1-3825 of the Code of Virginia, to be refunded on or before September 30, 2018, with interest at the rate of five percent per annum.*

6. *The City may include in its ordinance a provision for a short-term rental registry only in compliance with § 15.2-983 of the Code of Virginia, including exemptions as provided in subdivision B 2 of § 15.2-983.*

7. *The City shall not limit in its ordinance the total number of nights per year permitted for short-term rentals.*

8. *The City shall not limit in its ordinance the total number of short-term rental properties in the City that can be owned by any one person or entity.*

9. *The City shall not regulate short-term rental properties differently in its ordinance on the basis of the number of bedrooms but may limit occupancy in a short-term rental on the basis of the number of bedrooms.*

10. *The City shall comply with the provisions of § 15.2-2311 of the Code of Virginia with respect to any determinations by the zoning administrator or other administrative officials with respect to any alleged violations of the City's short-term rental ordinance.*

11. *The City shall not have any other provision in its ordinance that is inconsistent with, or not expressly authorized by, § 15.2-983 of the Code of Virginia.*

12. *Any violations of this act by the City shall entitle a taxpayer who has been affected by the City's actions to recover a \$250 penalty per violation, with each such action by the City being a separate violation.*

2. **That the City of Lexington shall amend and reenact its existing ordinance to come into compliance with this act on or before September 30, 2018.**

INTRODUCED

HB824