

REFERENCE TITLE: regulation; short-term rentals

State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

HB 2482

Introduced by
Representative Kavanagh

AN ACT

AMENDING SECTIONS 9-500.39 AND 11-269.17, ARIZONA REVISED STATUTES;
RELATING TO SHORT-TERM RENTALS.

(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; civil
6 penalties; definitions

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

9 B. A city or town may not restrict the use of or regulate vacation
10 rentals or short-term rentals based on their classification, use or
11 occupancy except as provided in this section. A city or town may regulate
12 vacation rentals or short-term rentals ~~for the following purposes~~ AS
13 FOLLOWS:

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

20 2. ~~Adopting~~ TO ADOPT and ~~enforcing~~ ENFORCE residential use and
21 zoning ordinances, including ordinances related to noise, protection of
22 welfare, property maintenance and other nuisance issues, if the ordinance
23 is applied in the same manner as other property classified under sections
24 42-12003 and 42-12004.

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

30 4. ~~Requiring~~ TO REQUIRE the owner of a vacation rental or
31 short-term rental to provide the city or town with contact information for
32 the owner or the owner's designee who is responsible for responding to
33 complaints in a timely manner in person, over the phone or by email at any
34 time of day before offering for rent or renting the vacation rental or
35 short-term rental. THIS CONTACT INFORMATION SHALL BE PRINTED IN BOLD
36 TWENTY-FOUR-POINT FONT AND POSTED ON THE FRONT DOOR OF THE VACATION RENTAL
37 OR SHORT-TERM RENTAL. IF THE PROPERTY IS SURROUNDED BY A FENCE OR OTHER
38 BARRIER THAT RESTRICTS ACCESS TO THE FRONT DOOR, THE CONTACT INFORMATION
39 SHALL BE POSTED IN A LOCATION THAT IS VISIBLE AND ACCESSIBLE TO THE
40 PUBLIC. NOTWITHSTANDING SECTION 42-1125.02, FOR A VERIFIED VIOLATION OF
41 THIS PARAGRAPH, A CITY OR TOWN MAY IMPOSE A CIVIL PENALTY OF \$50 FOR EACH
42 DAY THAT THE VACATION RENTAL OR SHORT-TERM RENTAL IS OCCUPIED.

43 5. TO RESTRICT THE MAXIMUM NUMBER OF ADULT OCCUPANTS ALLOWED IN THE
44 VACATION RENTAL OR SHORT-TERM RENTAL AT ANY ONE TIME TO THE LESSER OF THE
45 OCCUPANCY LIMIT ESTABLISHED BY THE CITY OR TOWN OR NOT MORE THAN TWO

1 ADULTS PER BEDROOM, UP TO FOUR BEDROOMS, PLUS TWO ADDITIONAL ADULTS PER
2 ONE THOUSAND SQUARE FEET OF LIVABLE SPACE IN EXCESS OF THREE THOUSAND
3 SQUARE FEET OF LIVABLE SPACE OF THE RESIDENCE.

4 6. TO REQUIRE THE INSTALLATION OF SAFETY AND MONITORING EQUIPMENT
5 THAT MONITORS AND DETECTS THE LEVEL OF NOISE ON THE PROPERTY OF THE
6 VACATION RENTAL OR SHORT-TERM RENTAL. THE EQUIPMENT MUST BE INSTALLED
7 INSIDE ALL VACATION RENTALS AND SHORT-TERM RENTALS AND IN THE OUTSIDE YARD
8 OR UNENCLOSED BALCONY OF ALL PROPERTIES THAT ARE VACATION RENTALS OR
9 SHORT-TERM RENTALS. THE EQUIPMENT MUST HAVE THE CAPABILITY OF NOTIFYING
10 THE OWNER OR THE OWNER'S DESIGNEE IF THE LEVEL OF NOISE AT THE PROPERTY IS
11 UNREASONABLE OR IN VIOLATION OF THE MUNICIPAL NOISE ORDINANCE. SAFETY AND
12 MONITORING EQUIPMENT IS NOT REQUIRED IN AN OWNER-OCCUPIED RESIDENTIAL HOME
13 OFFERED FOR TRANSIENT USE OR IF THE OWNER OR THE OWNER'S DESIGNEE IS
14 ELSEWHERE ON THE PROPERTY. FOR A VIOLATION OF A NOISE RESTRICTION, THE
15 OWNER OR THE OWNER'S DESIGNEE SHALL NOTIFY THE OCCUPANT OF THE NOISE
16 VIOLATION. NOTICE MAY BE MADE BY TELEPHONE CALL OR TEXT MESSAGE. IF THE
17 NOISE VIOLATION CONTINUES FOR THIRTY MINUTES, THE OWNER OR THE OWNER'S
18 DESIGNEE SHALL NOTIFY THE OCCUPANT OF THE NOISE VIOLATION IN PERSON. FOR
19 A VERIFIED VIOLATION OF THIS PARAGRAPH, A CITY OR TOWN MAY IMPOSE THE
20 CIVIL PENALTY PRESCRIBED IN SECTION 42-1125.02, SUBSECTION B.

21 7. TO PROHIBIT SMOKING OUTSIDE OF THE VACATION RENTAL OR SHORT-TERM
22 RENTAL WITHIN ONE HUNDRED FEET OF A RESIDENTIAL STRUCTURE.

23 8. TO PROHIBIT OCCUPANTS OF A VACATION RENTAL OR SHORT-TERM RENTAL
24 FROM PARKING ON PUBLIC OR PRIVATE STREETS IF ON-PROPERTY PARKING IS
25 AVAILABLE. NOTWITHSTANDING SECTION 42-1125.02, FOR A VERIFIED VIOLATION
26 OF THIS PARAGRAPH, A CITY OR TOWN MAY IMPOSE A CIVIL PENALTY OF \$100 FOR
27 EACH DAY THAT THE VACATION RENTAL OR SHORT-TERM RENTAL IS OCCUPIED.

28 C. Within thirty days after a verified violation, a city or town
29 shall notify the department of revenue and the owner of the vacation
30 rental or short-term rental of the verified violation of the city's or
31 town's applicable laws, regulations or ordinances and, if the owner of the
32 vacation rental or short-term rental received the verified violation,
33 whether the city or town imposed a civil penalty on the owner of the
34 vacation rental or short-term rental and the amount of the civil penalty,
35 if assessed. If multiple verified violations arise out of the same
36 response to an incident at a vacation rental or short-term rental, those
37 verified violations are considered one verified violation for the purpose
38 of assessing civil penalties pursuant to section 42-1125.02, subsection B.

39 D. If the owner of a vacation rental or short-term rental has
40 provided contact information to a city or town pursuant to subsection B,
41 paragraph 4 of this section and if the city or town issues a citation for
42 a violation of the city's or town's applicable laws, regulations or
43 ordinances or a state law that occurred on the owner's vacation rental or
44 short-term rental property, the city or town shall make a reasonable
45 attempt to notify the owner or the owner's designee of the citation within

seven business days after the citation is issued using the contact information provided pursuant to subsection B, paragraph 4 of this section. If the owner of a vacation rental or short-term rental has not provided contact information pursuant to subsection B, paragraph 4 of this section, the city or town is not required to provide such notice.

E. 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.

F. A vacation rental or short-term rental may not be used for nonresidential uses, including for a special event that would otherwise require a permit or license pursuant to a city or town ordinance or a state law or rule or for a retail, restaurant, banquet space or other similar use.

G. A VACATION RENTAL OR SHORT-TERM RENTAL MAY NOT ADVERTISE TO EXCEED THE OCCUPANCY LIMIT OF THE DWELLING OR FOR ANY NONRESIDENTIAL USE PURSUANT TO SUBSECTION F OF THIS SECTION. NOTWITHSTANDING SECTION 42-1125.02, FOR A VERIFIED VIOLATION OF THIS SUBSECTION, A CITY OR TOWN MAY IMPOSE A CIVIL PENALTY OF \$50 PER DAY FOR EACH DAY THE VIOLATION OCCURRED.

H. THE OWNER OF A VACATION RENTAL OR SHORT-TERM RENTAL SHALL DISPLAY THE OWNER'S TRANSACTION PRIVILEGE TAX LICENSE IN ANY ONLINE ADVERTISEMENT FOR RENTAL OF THE UNIT. NOTWITHSTANDING SECTION 42-1125.02, FOR A VERIFIED VIOLATION OF THIS SUBSECTION, A CITY OR TOWN MAY IMPOSE A CIVIL PENALTY OF \$50 PER DAY FOR EACH DAY THE VIOLATION OCCURRED.

~~G.~~ I. For the purposes of this section:

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

2. "Vacation rental" or "short-term rental":

(a) Means 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 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~~

(b) DOES not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

3. "Verified violation" means a finding of guilt or civil responsibility for violating any state law or local ordinance relating to a purpose prescribed in subsection B, ~~or~~ F, G OR H of this section that has been finally adjudicated.

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

3 11-269.17. Limits on regulation of vacation rentals and
4 short-term rentals; state preemption; civil
5 penalties; definitions

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

8 B. A county may not restrict the use of or regulate vacation
9 rentals or short-term rentals based on their classification, use or
10 occupancy except as provided in this section. A county may regulate
11 vacation rentals or short-term rentals ~~for the following purposes~~ AS
12 FOLLOWS:

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

19 2. ~~Adopting~~ TO ADOPT and ~~enforcing~~ ENFORCE residential use and
20 zoning ordinances, including ordinances related to noise, protection of
21 welfare, property maintenance and other nuisance issues, if the ordinance
22 is applied in the same manner as other property classified under sections
23 42-12003 and 42-12004.

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

29 4. ~~Requiring~~ TO REQUIRE the owner of a vacation rental or
30 short-term rental to provide the county with contact information for the
31 owner or the owner's designee who is responsible for responding to
32 complaints in a timely manner in person, over the phone or by email at any
33 time of day before offering for rent or renting the vacation rental or
34 short-term rental. THIS CONTACT INFORMATION SHALL BE PRINTED IN BOLD
35 TWENTY-FOUR-POINT FONT AND POSTED ON THE FRONT DOOR OF THE VACATION RENTAL
36 OR SHORT-TERM RENTAL. IF THE PROPERTY IS SURROUNDED BY A FENCE OR OTHER
37 BARRIER THAT RESTRICTS ACCESS TO THE FRONT DOOR, THE CONTACT INFORMATION
38 SHALL BE POSTED IN A LOCATION THAT IS VISIBLE AND ACCESSIBLE TO THE
39 PUBLIC. NOTWITHSTANDING SECTION 42-1125.02, FOR A VERIFIED VIOLATION OF
40 THIS PARAGRAPH, A COUNTY MAY IMPOSE A CIVIL PENALTY OF \$50 FOR EACH DAY
41 THAT THE VACATION RENTAL OR SHORT-TERM RENTAL IS OCCUPIED.

42 5. TO RESTRICT THE MAXIMUM NUMBER OF ADULT OCCUPANTS ALLOWED IN THE
43 VACATION RENTAL OR SHORT-TERM RENTAL AT ANY ONE TIME TO THE LESSER OF THE
44 OCCUPANCY LIMIT ESTABLISHED BY THE COUNTY OR NOT MORE THAN TWO ADULTS PER
45 BEDROOM, UP TO FOUR BEDROOMS, PLUS TWO ADDITIONAL ADULTS PER ONE THOUSAND

1 SQUARE FEET OF LIVABLE SPACE IN EXCESS OF THREE THOUSAND SQUARE FEET OF
2 LIVABLE SPACE OF THE RESIDENCE.

3 6. TO REQUIRE THE INSTALLATION OF SAFETY AND MONITORING EQUIPMENT
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10 UNREASONABLE OR IN VIOLATION OF THE COUNTY NOISE ORDINANCE. SAFETY AND
11 MONITORING EQUIPMENT IS NOT REQUIRED IN AN OWNER-OCCUPIED RESIDENTIAL HOME
12 OFFERED FOR TRANSIENT USE OR IF THE OWNER OR THE OWNER'S DESIGNEE IS
13 ELSEWHERE ON THE PROPERTY. FOR A VIOLATION OF A NOISE RESTRICTION, THE
14 OWNER OR THE OWNER'S DESIGNEE SHALL NOTIFY THE OCCUPANT OF THE NOISE
15 VIOLATION. NOTICE MAY BE MADE BY TELEPHONE CALL OR TEXT MESSAGE. IF THE
16 NOISE VIOLATION CONTINUES FOR THIRTY MINUTES, THE OWNER OR THE OWNER'S
17 DESIGNEE SHALL NOTIFY THE OCCUPANT OF THE NOISE VIOLATION IN PERSON. FOR
18 A VERIFIED VIOLATION OF THIS PARAGRAPH, A COUNTY MAY IMPOSE THE CIVIL
19 PENALTY PRESCRIBED IN SECTION 42-1125.02, SUBSECTION B.

20 7. TO PROHIBIT SMOKING OUTSIDE OF THE VACATION RENTAL OR SHORT-TERM
21 RENTAL WITHIN ONE HUNDRED FEET OF A RESIDENTIAL STRUCTURE.

22 8. TO PROHIBIT OCCUPANTS OF A VACATION RENTAL OR SHORT-TERM RENTAL
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25 OF THIS PARAGRAPH, A COUNTY MAY IMPOSE A CIVIL PENALTY OF \$100 FOR EACH
26 DAY THAT THE VACATION RENTAL OR SHORT-TERM RENTAL IS OCCUPIED.

27 C. Within thirty days after a verified violation, a county shall
28 notify the department of revenue and the owner of the vacation rental or
29 short-term rental of the verified violation of the county's applicable
30 laws, regulations or ordinances and, if the property owner received the
31 verified violation, whether the county imposed a civil penalty on the
32 owner of the vacation rental or short-term rental and the amount of the
33 civil penalty, if assessed. If multiple verified violations arise out of
34 the same response to an incident at a vacation rental or short-term
35 rental, those verified violations are considered one verified violation
36 for the purpose of assessing civil penalties pursuant to section
37 42-1125.02, subsection B.

38 D. If the owner of a vacation rental or short-term rental has
39 provided contact information to a county pursuant to subsection B,
40 paragraph 4 of this section and if the county issues a citation for a
41 violation of the county's applicable laws, regulations or ordinances or a
42 state law that occurred on the owner's vacation rental or short-term
43 rental property, the county shall make a reasonable attempt to notify the
44 owner or the owner's designee of the citation within seven business days
45 after the citation is issued using the contact information provided

1 pursuant to subsection B, paragraph 4 of this section. If the owner of a
2 vacation rental or short-term rental has not provided contact information
3 pursuant to subsection B, paragraph 4 of this section, the county is not
4 required to provide such notice.

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

9 F. A vacation rental or short-term rental may not be used for
10 nonresidential uses, including for a special event that would otherwise
11 require a permit or license pursuant to a county ordinance or a state law
12 or rule or for a retail, restaurant, banquet space or other similar use.

13 G. A VACATION RENTAL OR SHORT-TERM RENTAL MAY NOT ADVERTISE TO
14 EXCEED THE OCCUPANCY LIMIT OF THE DWELLING OR FOR ANY NONRESIDENTIAL USE
15 PURSUANT TO SUBSECTION F OF THIS SECTION. NOTWITHSTANDING SECTION
16 42-1125.02, FOR A VERIFIED VIOLATION OF THIS SUBSECTION, A COUNTY MAY
17 IMPOSE A CIVIL PENALTY OF \$50 PER DAY FOR EACH DAY THE VIOLATION OCCURRED.

18 H. THE OWNER OF A VACATION RENTAL OR SHORT-TERM RENTAL SHALL
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33 use, including retail, restaurant, banquet space, event center or another
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35 3. "Verified violation" means a finding of guilt or civil
36 responsibility for violating any state law or local ordinance relating to
37 a purpose prescribed in subsection B, ~~or~~ F, G OR H of this section that
38 has been finally adjudicated.