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HOUSE BILL NO. 1557

Offered January 8, 2025

Prefiled November 21, 2024

A BILL to amend the Code of Virginia by adding a section numbered 58.1-612.3, relating to short-term rentals; registration; civil penalty.

Patron—Ware

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 58.1-612.3 as follows:

§ 58.1-612.3. Creation of registry for short-term rental of property; civil penalty.

A. The Department shall establish a statewide short-term rental registry and require accommodations providers and accommodations intermediaries to register.

1. a. In order to register, an accommodations provider shall provide to the Department (i) the name of the accommodations provider and (ii) the address of each individual property in the Commonwealth offered for short-term rental by the accommodations provider, including sufficient information to identify the locality or localities in which the accommodations are located.

b. Upon providing such information, the Department shall issue to the accommodations provider a unique numerical identifier for each accommodation that is offered for short-term rental. Such unique numerical identifier is not assignable and is valid only for the person in whose name it is issued and for the transaction of business at the accommodation designated therein.

2. For accommodations intermediaries, in order to register, an accommodations intermediary shall provide to the Department (i) the name of the accommodations intermediary and (ii) contact information, including the name, email address, and phone number, of an individual responsible for liaising with state and local officials regarding noncompliant short-term rental listings.

3. The Department shall maintain the registry described in this subsection and require accommodations providers and intermediaries to provide updates to any of the required information within 30 days of any changes.

B. Each accommodations intermediary shall require, as a condition of listing a short-term rental on its platform, that every accommodations provider provide to the accommodations intermediary such provider's name, unique numerical identifier, and specific address for each short term-rental offered. Additionally, the accommodations intermediary shall list the unique numerical identifier for any short-term rental on any listing, advertisement, or social media post related to such short-term rental.

C. On a quarterly basis, each accommodations intermediary shall provide to the Department the following information regarding each short-term rental offered on its platform:

1. The unique numerical identifier for each such short-term rental.

2. The address of each individual property in the Commonwealth offered for short-term rental by each accommodations provider, including sufficient information to identify the locality or localities in which the accommodations are located.

3. The uniform resources locator (URL) for the Internet address of each short-term rental listing.

4. The individual period of rental by calendar date, and the itemized amounts collected or processed by the accommodations intermediary for room charges as defined in § 58.1-602; accommodations fees as defined in § 58.1-602, to include any fee charged to the customer and retained as compensation for facilitating the sale, whether described as an accommodations fee, facilitation fee, or any other name; state sales and use tax; local transient occupancy tax; and all other charges.

Notwithstanding the foregoing, if an accommodations intermediary submits the monthly reports required by subsection F of § 58.1-3826 for any quarter, such intermediary shall not be required to provide the information described in subdivisions 1 through 4 to the Department for such quarter.

D. The Department shall provide to the commissioner of the revenue or other assessing official for each locality access to the registry and information contained therein for all short-term rentals located within the jurisdiction of the commissioner of the revenue or other assessing official. The commissioner of the revenue or other assessing official may share the information described in subdivisions C 1, 2, and 3 with the officials responsible for zoning in his locality; however, the information described in subdivision C 4 shall remain confidential and shall not be shared.

E. The commissioner of the revenue or other assessing official for the locality shall notify an accommodations intermediary upon finding that any short-term rental on its platform is not lawfully registered, permitted, or otherwise authorized to be offered as a short-term rental pursuant to § 15.2-983, a local zoning

59 ordinance, or other provision of law. Such notification shall identify the short-term rental listing's unique
60 numerical identifier and uniform resource locator (URL) or other digital location and state the reason for
61 noncompliance.

62 F. An accommodations intermediary shall be prohibited from listing any short-term rental on its platform
63 after it has been notified by the commissioner of the revenue or other assessing official for the locality that
64 such short-term rental is noncompliant. The accommodations intermediary shall remove such listing from its
65 platform within seven days of receiving notice pursuant to subsection E and shall provide a refund to any
66 customer reserving such listing. An accommodations intermediary who violates the requirements of this
67 subsection shall be subject to a civil penalty of \$1,000. All penalties paid under this section shall be
68 transmitted by the commissioner of the revenue or other assessing official to the Department, which shall
69 deposit such funds in the Virginia Housing Trust Fund established by § 36-142.

70 G. The provisions of this section shall not be construed to limit the authority of localities to regulate or
71 prohibit short-term rentals as otherwise provided by law.

72 **2. That the provisions of this act shall become effective on July 1, 2026.**