

By: Springer

H.B. No. 1792

A BILL TO BE ENTITLED

AN ACT

relating to regulation of residential short-term rental units;
creating offenses and authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 108.001, Business & Commerce Code, is
amended by amending Subdivision (2) and adding Subdivision (6-a) to
read as follows:

(2) "Commercial lodging establishment" means a hotel,
motel, inn, residential short-term rental unit, or similar entity
that offers lodging to the public in exchange for compensation.

(6-a) "Residential short-term rental unit" has the
meaning assigned by Section 341.001, Health and Safety Code.

SECTION 2. Section 341.001, Health and Safety Code, is
amended by adding Subdivision (6-a) to read as follows:

(6-a) "Residential short-term rental unit" means a
residential dwelling, including a single-family residence,
apartment, residential condominium unit, or other residential real
estate improvement, in which the public may obtain sleeping
accommodations in exchange for compensation for a period of less
than 30 consecutive days. The term applies regardless of whether
the dwelling was originally constructed or zoned as a residential
dwelling.

SECTION 3. Section 341.066, Health and Safety Code, is
amended to read as follows:

1 Sec. 341.066. TOURIST COURTS, HOTELS, INNS, ~~[AND]~~ ROOMING
2 HOUSES, AND RESIDENTIAL SHORT-TERM RENTAL UNITS. (a) A person
3 operating a tourist court, hotel, inn, ~~[or]~~ rooming house, or
4 residential short-term rental unit in this state shall:

5 (1) provide a safe and ample water supply for the
6 general conduct of the tourist court, hotel, inn, ~~[or]~~ rooming
7 house, or residential short-term rental unit; and

8 (2) submit samples of the water at least once a year
9 before May 1 to the department for bacteriological analysis.

10 (b) A tourist court, hotel, inn, ~~[and]~~ rooming house, and
11 residential short-term rental unit must be equipped with an
12 approved system of sewage disposal maintained in a sanitary
13 condition.

14 (c) An owner or operator of a tourist court, hotel, inn,
15 ~~[or]~~ rooming house, or residential short-term rental unit shall
16 keep the premises sanitary and shall provide every practical
17 facility essential for that purpose.

18 (d) An owner or operator of a tourist court, hotel, inn,
19 ~~[or]~~ rooming house, or residential short-term rental unit who
20 provides a gas stove for the heating of a unit in the facility shall
21 determine that the stove is properly installed and maintained in a
22 properly ventilated room.

23 (e) An owner, operator, or manager of a tourist court,
24 hotel, inn, ~~[or]~~ rooming house, or residential short-term rental
25 unit shall maintain sanitary appliances located in the facility in
26 good repair.

27 (f) Food offered for sale at a tourist court, hotel, inn,

1 ~~[or]~~ rooming house, or residential short-term rental unit shall be:

2 (1) adequately protected from flies, dust, vermin, and
3 spoilage; and

4 (2) kept in a sanitary condition.

5 (g) An owner, manager, or agent of a tourist court, hotel,
6 inn, ~~[or]~~ rooming house, or residential short-term rental unit may
7 not rent or furnish a unit to a person succeeding a previous
8 occupant before:

9 (1) thoroughly cleaning the unit; and

10 (2) providing clean and sanitary sheets, towels, and
11 pillowcases.

12 (h) An owner, operator, or manager of a tourist court,
13 hotel, inn, ~~[or]~~ rooming house, or residential short-term rental
14 unit shall maintain the facility in a sanitary condition.

15 (i) A tourist court, hotel, inn, ~~[or]~~ rooming house, or
16 residential short-term rental unit that does not conform to this
17 chapter is a public health nuisance.

18 SECTION 4. Section 791.021(a), Health and Safety Code, is
19 amended to read as follows:

20 (a) This section applies to:

21 (1) a hospital;

22 (2) a seminary;

23 (3) a college;

24 (4) an academy;

25 (5) a school;

26 (6) a dormitory;

27 (7) a hotel or other facility for the accommodation of

1 transient guests;

2 (8) a lodging house, apartment house, rooming house,
3 or boardinghouse;

4 (8-a) a residential short-term rental unit, as defined
5 by Section 341.001;

6 (9) a lodge hall;

7 (10) a theater or other public place of amusement; or

8 (11) any other facility used for public gatherings.

9 SECTION 5. Section 792.001(1), Health and Safety Code, is
10 amended to read as follows:

11 (1) "Hotel" means a building in which members of the
12 public obtain sleeping accommodations for consideration, including
13 a hotel, motel, tourist home, tourist house, tourist court, hostel,
14 lodging house, rooming house, ~~or~~ inn, or residential short-term
15 rental unit as defined by Section 341.001. The term does not
16 include:

17 (A) a hospital, sanitarium, or nursing home; or

18 (B) a building in which all or substantially all
19 of the occupants have the right to use or possess their sleeping
20 accommodations for at least 28 consecutive days.

21 SECTION 6. Section 2155.001(a), Occupations Code, is
22 amended to read as follows:

23 (a) A hotel owner or keeper or owner of a residential
24 short-term rental unit, as defined by Section 2155.151, shall post
25 a card or sign in a conspicuous place in each hotel room stating:

26 (1) the daily room rate; and

27 (2) the date the card or sign was posted.

SECTION 7. Chapter 2155, Occupations Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. RESIDENTIAL SHORT-TERM RENTAL UNITS

Sec. 2155.151. DEFINITIONS. In this subchapter:

(1) "Residential short-term rental listing service" means a business that maintains an Internet website or mobile application that lists and facilitates the rental of residential short-term rental units.

(2) "Residential short-term rental unit" means a residential dwelling, including a single-family residence, apartment, residential condominium unit, or other residential real estate improvement in which the public may obtain sleeping accommodations in exchange for compensation for a period of less than 30 consecutive days. The term applies regardless of whether the dwelling was originally constructed or zoned as a residential dwelling.

Sec. 2155.152. COUNTY AND MUNICIPALITY REGULATION. (a) This section applies only to:

(1) a county with a population of more than one million;

(2) a county with a population of more than 300,000 that is adjacent to a county with a population of more than one million; and

(3) a municipality located in a county described by Subdivision (1) or (2).

(b) Except as provided by Subsection (c), a county or municipality shall:

1 (1) characterize and treat a residential short-term
2 rental unit in the same manner as a hotel for purposes of consumer
3 protection, public health and human safety, taxation, licensing,
4 and zoning and other land use regulations; or

5 (2) adopt an order or ordinance, as applicable, to
6 specifically regulate residential short-term rental units.

7 (c) Subsection (b) does not apply to:

8 (1) a residential short-term rental unit that is
9 rented for no more than seven nights each calendar year; or

10 (2) a rental agreement for a residential short-term
11 rental unit in which:

12 (A) the unit is part of the primary residence of
13 the lessor;

14 (B) the unit is less than the entire dwelling;

15 (C) the lessor is generally present for the
16 duration of the rental; and

17 (D) if the primary residence includes more than
18 one unit, only one unit at the dwelling is rented at one time.

19 Sec. 2155.153. RESIDENTIAL SHORT-TERM RENTAL LISTING
20 SERVICES. (a) This section does not apply to a residential
21 short-term rental listing service that:

22 (1) is operated by a governmental entity;

23 (2) is operated by a nonprofit organization exempt
24 from federal income tax under Section 501(c)(6), Internal Revenue
25 Code of 1986:

26 (A) whose members or affiliates do not have a
27 direct or indirect pecuniary interest in the listing service, units

listed by the service, or any other residential short-term rental listing service units;

(B) that either:

(i) is designated as a convention and visitors bureau by a county or municipality; or

(ii) has an agreement with a governmental entity to provide listing services for available lodging on an Internet website or mobile application; and

(C) that was not created or used with the intent to avoid the applicability of this section; or

(3) lists only residential short-term rental units that are constructed to hotel standards.

(b) Before listing a residential short-term rental unit on its Internet website or mobile application, a residential short-term rental listing service shall obtain an affidavit signed by the owner or tenant of the unit that:

(1) states that the owner or tenant is in compliance with all applicable state and local laws governing the residential short-term rental unit, including this subchapter, Chapters 156, 351, and 352, Tax Code, and any applicable deed restrictions, land use covenants, or leases;

(2) includes all hotel tax taxpayer identification numbers applicable to the unit; and

(3) is accompanied by any relevant documentation, including a license or certificate of occupancy, to demonstrate compliance with an order or ordinance adopted under Section 2155.152(b).

1 (c) A county or municipality may charge a fee for providing
2 a copy of any applicable documentation under Subsection (b)(3).

3 (d) If a governmental entity conducts an audit or seeks to
4 identify the owner of a residential short-term rental unit listed
5 on a residential short-term rental listing service's Internet
6 website or mobile application, the listing service shall comply
7 with the audit or investigation and provide any documentation
8 requested by the governmental entity that is related to the audit or
9 identification.

10 (e) A residential short-term rental listing service shall:

11 (1) obtain a new affidavit that meets the requirements
12 of Subsection (b) annually for each listing; and

13 (2) provide the date that each residential short-term
14 rental unit last provided an affidavit under this section on the
15 unit's listing on the listing service's Internet website or mobile
16 application.

17 (f) A person commits an offense if the person violates this
18 section. Each day that a violation occurs or continues to occur
19 constitutes a separate offense. An offense under this subsection
20 is a Class C misdemeanor.

21 SECTION 8. (a) Except as otherwise provided by this
22 section, this Act takes effect September 1, 2015.

23 (b) Section 791.021(a), Health and Safety Code, as amended
24 by this Act, takes effect January 1, 2017.