

By: Lozano

H.B. No. 2367

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the regulation of residential amenity rentals by a
3 political subdivision; authorizing a fee; authorizing a civil
4 penalty.

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

6 SECTION 1. Subtitle C, Title 7, Local Government Code, is
7 amended by adding Chapter 247 to read as follows:

8 CHAPTER 247. REGULATION OF RESIDENTIAL AMENITY RENTALS

9 Sec. 247.001. DEFINITIONS. In this chapter:

10 (1) "Listing service" means a person who facilitates
11 the renting of a residential amenity rental, including by listing
12 residential amenity rentals on an Internet website.

13 (2) "Provider" means a person who rents a residential
14 amenity rental to another person.

15 (3) "Residential amenity rental" or "rental" means a
16 feature or facility:

17 (A) that is part of a property used or designed to
18 be used as the home of a person, family, or household, including a
19 single-family dwelling; and

20 (B) that is rented for a period of less than 15
21 hours and not for the purpose of providing sleeping accommodations
22 to a tenant.

23 Sec. 247.002. APPLICABILITY. This chapter applies to a
24 political subdivision that has the authority to enact an ordinance,

1 order, rule, or other requirement regarding zoning or other land
2 use in its jurisdiction.

3 Sec. 247.003. AUTHORIZED LOCAL REGULATIONS. (a) A
4 political subdivision may require a provider to, before renting a
5 residential amenity rental to another person:

6 (1) register the rental as provided by Section
7 247.004;

8 (2) designate an emergency contact responsible for
9 responding to complaints regarding the rental; and

10 (3) provide proof that written notice was given to
11 each owner of property that shares a common boundary with the
12 property where the rental is located of the provider's intent to use
13 the property as a residential amenity rental.

14 (b) A political subdivision may:

15 (1) prohibit a provider from serving food to a tenant
16 of a residential amenity rental unless serving food commercially at
17 the rental is otherwise authorized by law.

18 Sec. 247.004. RESIDENTIAL AMENITY RENTAL REGISTRATION. (a)
19 A political subdivision that adopts a registration requirement
20 under Section 247.003(a)(1):

21 (1) shall approve a registration application unless
22 the provider is in violation of a regulation authorized under
23 Section 247.003;

24 (2) may charge a nominal registration fee not to
25 exceed the amount sufficient to cover the costs of administering
26 the registration requirement; and

27 (3) may maintain an Internet website or telephone

1 hotline that enables a member of the public to file a complaint
2 regarding a residential amenity rental.

3 (b) A political subdivision shall approve or deny a
4 registration application in accordance with Subsection (a)(1) not
5 later than the 30th day after the date the political subdivision
6 receives the application. If the political subdivision fails to
7 respond in accordance with this subsection, the registration is
8 considered approved.

9 (c) If a political subdivision requires a provider to
10 register under this chapter, the registration must be valid for at
11 least one year.

12 (d) A political subdivision may suspend a registration
13 issued under this chapter only in accordance with Section 247.007.

14 Sec. 247.005. PROHIBITED LOCAL REGULATIONS; BURDEN OF
15 PROOF. (a) Except as provided by this chapter, a political
16 subdivision may not adopt or enforce an ordinance, order, or rule
17 that:

18 (1) prohibits or limits the use of a property as a
19 residential amenity rental; or

20 (2) applies to residential amenity rental providers,
21 residential amenity rental tenants, or other persons associated
22 with residential amenity rentals in a manner that is more
23 restrictive or otherwise inconsistent with the application of the
24 law to other similarly situated persons.

25 (b) In a legal action challenging the adoption or
26 enforcement of an ordinance, order, or rule under this chapter, the
27 political subdivision has the burden of proving by clear and

1 convincing evidence that the ordinance, order, or rule meets the
2 requirements of this chapter.

3 Sec. 247.006. CONFLICT OF LAW. (a) To the extent of a
4 conflict between any regulation adopted under this chapter by a
5 county and any regulation adopted under this chapter by a political
6 subdivision other than a county, the county regulation controls.

7 (b) To the extent of a conflict between any regulations
8 adopted under this chapter by two or more political subdivisions
9 other than a county, the less stringent limitation or requirement
10 controls.

11 Sec. 247.007. ENFORCEMENT; CIVIL PENALTY. (a) A political
12 subdivision may assess a civil penalty against a provider for a
13 violation of an ordinance, order, or rule adopted by the political
14 subdivision that is the direct result of the operation of the
15 residential amenity rental. A civil penalty assessed under this
16 section is in addition to any penalty imposed for the violation of
17 an ordinance, order, or rule adopted under authority other than
18 this chapter.

19 (b) Except as provided by Subsection (c), a civil penalty
20 issued under this section must be in a reasonable amount, not to
21 exceed \$200 per violation.

22 (c) For a second violation that is the direct result of the
23 operation of the residential amenity rental, a political
24 subdivision may assess an increased civil penalty, not to exceed
25 \$400.

26 (d) For a third violation that is the direct result of the
27 operation of the residential amenity rental, a political

1 subdivision may:

2 (1) suspend the registration of a provider for a
3 period not to exceed one year; or

4 (2) prohibit the continued use of the property as a
5 residential amenity rental by the same provider.

6 (e) To assess a civil penalty, suspend a registration, or
7 prohibit the continued use of a property as a residential amenity
8 rental under this section, the political subdivision has the burden
9 of proof of demonstrating that the violation was a direct result of
10 the residential amenity rental's operation.

11 (f) A political subdivision may not assess a penalty on a
12 provider, suspend a registration, or prohibit the continued use of
13 a property as a residential amenity rental under this section until
14 the provider has exhausted all appeal rights for the underlying
15 violation.

16 SECTION 2. This Act takes effect September 1, 2023.