

7 A BILL  
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12 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
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17 To require the Department of Consumer and Regulatory Affairs to license the operation of short  
18 term rentals, to establish duties and enforcement powers for the Department, to establish  
19 enforcement procedures for short term rental requirements, to require short term rental  
20 hosts to obtain a license to operate, to create a new license for short term rentals, to create  
21 a new license endorsement for vacation rentals, to establish health and safety  
22 requirements for hosts, to establish restrictions for hosts, to establish requirements  
23 governing the booking of short term rentals, to permit limited vacation rentals, to require  
24 short term rental hosts and booking services to maintain records, to require booking  
25 services to submit a monthly report of short term rental booking information, to require  
26 hosts to pay transient lodging taxes, to require booking services to collect and remit  
27 transient lodging taxes, and to establish penalties for violations of this act by the  
28 Department.

29 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this  
30 act may be cited as the “Short-term Rental Regulation Act of 2018.”

31 TITLE I. SHORT TERM RENTAL REGULATIONS.

32 Sec. 101. Definitions.

33 For the purposes of this title, the term:

34 (1) “Accessory dwelling unit” means a dwelling unit that is secondary to the  
35 principal dwelling unit in terms of gross floor area or intensity of use, but which has kitchen and  
36 bath facilities separate from the principal dwelling unit and may or may not have a separate

37 entrance. An accessory dwelling unit includes an English basement, an in-law unit, a carriage  
38 house, or an attic apartment.

39 (2) “Booking service” means any person or entity that facilitates short term rental  
40 reservations and collects payment for lodging in a short term rental. A booking service shall be a  
41 room remarketer defined in D.C. Official Code § 47-2001(o-1).

42 (3) “Department” means the Department of Consumer and Regulatory Affairs or  
43 its successor agency.

44 (4) “Host” means a natural person who uses a booking service to provide a short  
45 term rental to a transient guest. An host shall be a vendor as defined under chapters 20 and 22 of  
46 Title 47 of the D.C. Official Code.

47 (5) “Primary residence” means the property is eligible for the homestead deduction pursuant to  
48 D.C. Official Code § 47-850. A primary residence includes any accessory dwelling unit or  
49 accessory dwelling building on the host’s property.

50 (6) “Short term rental” means paid accommodations for transient guests in a  
51 host’s primary residence. A short term rental is not a hotel, motel, inn, boarding house, rooming  
52 house, or bed and breakfast.

53 (7) “Short term accessory rental” means a short term rental which operates within  
54 a portion of a host’s principal dwelling unit, an accessory dwelling unit, or an accessory dwelling  
55 building and requires a host to occupy the property during the guest’s stay.

56 (8) “Short term vacation rental” means a short term rental which operates within  
57 the host’s principal dwelling unit where the guest is allowed exclusive access to the host’s  
58 primary residence without the host present during the guest’s stay. . A vacation rental is subject  
59 to the additional restrictions of subsections 104(d) and 106(e).

60 Sec. 102. Host requirements and restrictions.

61 (a) A host shall not be allowed to operate a short-term rental in a property that is not the  
62 host's primary residence.

63 (b) A host shall obtain a valid short term rental license, in addition to any other licenses  
64 required by law.

65 (c) A host applying for a short term rental license shall:

66 (1) Provide proof that he or she complies with the requirements of this section;

67 (2) Provide proof of his or her primary residence and that the street address  
68 matches the location of the short term rental; and

69 (3) Provide proof, if the short term rental is on a property within a condominium,  
70 cooperative, or homeowner association, that the operation of a short term rental is permissible by  
71 the condominium, cooperative, or homeowner association.

72 (d) A host shall have current liability insurance of at least \$500,000, which may be  
73 provided by the booking service. The Mayor may adjust the minimum dollar amount of this  
74 insurance requirement by rulemaking.

75 (e) A host shall provide a 24-hour accessible telephone number, to the host or a person  
76 who has authority to act on behalf of the host in the event of an emergency.

77 (f)(1) A host shall not book more than three (3) short term rentals on a single  
78 property at a time, such as a bedroom within a principal dwelling unit and two separate  
79 accessory dwelling units.

80 (2) A host shall not book more than a single party of guests to occupy a short term rental

81 unit at a time. (g) A host shall, throughout the duration of occupancy by a transient guest:

82 (1) conspicuously post a copy of the basic business license and the short-term  
83 rental license within the interior of the short term rental unit;

84 (2) conspicuously post within the interior of the rental unit a 24-hour accessible  
85 telephone number, to the host or a person who has authority to act on behalf of the host, in the  
86 event of an emergency;

87 (3) maintain a working smoke detector outside the sleeping area and on all  
88 habitable floors of the short term rental unit, and provide a working carbon monoxide detector on  
89 all habitable floors of the short term rental unit;

90 (4) provide unobstructed egress from the short term rental unit; and

91 (5) Clean the short term rental unit between occupancy by different transient  
92 guests, including the change of bed linens and towels.

93 (h) A host shall not list a short-term rental by using a booking service that does not  
94 permit the inclusion of the short-term rental license number and short term vacation rental  
95 endorsement or short term accessory rental endorsement, clearly displayed in the listing;  
96 provided, that a host shall not be held liable for the failure of a booking service to display a  
97 short-term rental license number and the short term vacation rental endorsement or short term  
98 accessory rental endorsement that the host has provided.

99 (i) A host shall not book a short term vacation rental for more than 90 nights  
100 cumulatively in any calendar year.

101 (j) A host shall limit the occupancy in a short term rental to a maximum of eight (8)  
102 guests, or two (2) guests per bedroom, whichever is greater.

103 (k) A host shall retain records of each booking of a short-term rental for a period of 2  
104 years and shall make the records available to the Department upon request during reasonable

105 hours. Information obtained by the Department pursuant to this subsection shall be confidential  
106 and shall not be subject to disclosure under the Freedom of Information Act of 1976, effective  
107 March 25, 1977 (D.C. Law 1-96; D.C. Official Code § 2-531 et seq.); provided, that the Office of  
108 the Chief Financial Officer and the Office of the Attorney General may inspect the information  
109 for enforcement purposes.

110 (j) A host shall pay all applicable transient lodging taxes, including those imposed under  
111 chapters 20 and 22 of Title 47 of the D.C. Official Code, unless such taxes are collected and  
112 remitted on the host's behalf by a booking service or person.

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114 Sec. 104. Department restrictions on the issuance of short term rental licenses.

115 (a) The Department shall not require an inspection of the property as a prerequisite for  
116 issuance of a short term rental license.

117 (b) The Department shall not issue a short term rental license to a host for property that is  
118 not the host's primary residence.

119 (c) The Department shall not issue more than one (1) short term rental license with a  
120 short term vacation rental endorsement or more than two (2) short term rental licenses with a  
121 short-term accessory rental endorsement for a single property.

122 (d) The Department shall not issue a short-term rental license if prohibited by the Zoning  
123 Regulations of the District of Columbia (11 DCMR).

124 (e) The Department shall not impose an additional license fee for the short term vacation  
125 rental endorsement or the short term accessory rental endorsement.

126 (f) The Department shall issue a short term rental license to be valid for a period of 2  
127 years from the date of issuance. Renewal licenses shall be issued in the same manner as initial  
128 licenses.

129 Sec. 105. Suspension or revocation of short term rental license.

130 The Department shall promulgate by rulemaking the procedures for suspension,  
131 revocation, and other licensing sanctions for violation of this title or other law.

132 Sec. 107. Legal rights of guests.

133 A guest of a short term rental shall not be deemed to be a tenant as defined under either  
134 the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code §  
135 42-3501.03(36)) or the Rental Housing Conversion and Sale Act of 1980, effective September  
136 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3401.03(17)).

137 Sec. 108. Booking Service requirements.

138 (a)(1) A booking service shall permit a host to provide a prospective guest with the short  
139 term rental license number for a short term rental prior to booking;

140 (2) A booking service shall not book a short term rental in the District of  
141 Columbia, upon notice from the Department that the license for the short term rental has been  
142 suspended or revoked.

143 (3) A booking service shall not book a short term rental that was the subject of  
144 notice provided pursuant to paragraph (2), until notified by the Department that the license for  
145 the short term rental has been reinstated.

146 (4) A booking service shall not book a short term vacation rental for more than 90  
147 nights cumulatively in a calendar year. For the purposes of complying with this paragraph, a  
148 booking service may assume that an accommodation is a short term vacation rental, if and only

149 if, the license provided by the host has a short term vacation rental endorsement.

150 (b)(1) A booking service shall submit to the Department a report itemizing transactions  
151 for which the booking service charged or received a fee for short term rentals in the District.

152 (2) The report shall include the following information for each transaction:

153 (A) The name of the host who provided the accommodation;

154 (B) The physical address of the accommodation;

155 (C) The short term rental license number of the accommodation;

156 (D) The url of which the short term rental unit is listed;

157 (E) The dates for which each transient guest procured use of the short term  
158 rental using the booking service;

159 (F) Whether the short term rental was booked as a vacation rental; and

160 (G) The rate charged for each short term rental stay.

161 (3) The report shall be submitted in a time, manner and form established by the  
162 Department, which may include, electronic submission in a format established by the  
163 Department.

164 (4) The report shall be submitted on a monthly basis, or less frequently as  
165 determined by the Department.

166 (c) Information submitted to the Department pursuant to this subsection shall be  
167 considered confidential and shall not be subject to disclosure under the Freedom of Information  
168 Act of 1976, effective March 25, 1977 (D.C. Law 1-96; D.C. Official Code § 2-531 *et seq.*);  
169 provided, that the Office of the Chief Financial Officer and the Office of the Attorney General,  
170 may inspect the information for enforcement purposes.

171 (d) A booking service shall retain records of all short term rentals in the District for two

172 (2) years.

173 (e) A booking service shall obtain from each host consent to provide the information  
174 described in this section to the Department. Obtaining lawful consent may consist of providing  
175 notice to the host that use of such booking service constitutes consent to the Department  
176 disclosure. It shall not be a defense to a violation of this section that the booking service did not  
177 obtain consent.

178 (f) A booking service shall collect and remit on behalf of hosts all required transient  
179 occupancy taxes, as provided under section 205(d) of this act, pursuant to Section (2) of D.C.  
180 Official Code § 47-2202 *et al*, unless there is a pre-existing tax remittance agreement between  
181 the booking service and the District of Columbia.

182 Sec. 109. Enforcement.

183 (a) The Department shall:

184 (1) Maintain records on licensed short-term rentals;

185 (2) Maintain statistics on short term rental activity and provide reports annually at  
186 the request of the Mayor or the Council;

187 (3) Monitor short term rentals for compliance with this title and all applicable  
188 regulations including the zoning regulations;

189 (4) Investigate suspected violations of this title by booking services or hosts; and

190 (5) Issue administrative penalties and orders to enforce the

191 provisions of this act.

192 (b) The Department may refer violations of this act to the Office of the Attorney General.

193 (c) The Department shall monitor listings of short term rentals by booking services.

194 Upon discovery of a violation, the Department shall immediately notify the relevant booking



195 service and the host.

196 (d) If a host claims or suggests that a guest will have exclusive use of the host's entire  
197 residence during the guest's stay, this shall serve as prima facie evidence that the short term  
198 rental is a short term vacation rental, notwithstanding the type of endorsement license actually  
199 issued.

200 Sec. 110. Penalties.

201 (a) Any host found to have violated any provision of section 102 and 106 of this act shall  
202 be liable for a civil penalty of:

203 (A) \$500 for the first violation;

204 (B) \$2,000 for a second violation; and

205 (C) \$6,000 for a third violation and a revocation of the related short term  
206 rental license.

207 (b) Any booking service found to have violated any provision of section 108 shall be  
208 liable for a civil penalty of \$1,000 for each booking transaction made in violation of this act.

209 (c) The Department may adjust these penalties by rulemaking.

210 (d) The penalties prescribed in subsection (a) and (b) of this section shall be applicable  
211 only for violations occurring after June 30, 2019.

212 Sec. 111. Rules.

213 (a) The Mayor shall promulgate all rules necessary to implement the provisions of this  
214 act, pursuant to the District of Columbia Administrative Procedure Act, approved October 21,  
215 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*)

216 TITLE II. CONFORMING AMENDMENTS.

217 Sec. 201. Chapter 28 of Title 47 of the District of Columbia Official Code is amended as  
218 follows:

219 (a) Section 47-2828 is amended by adding a new subsection (c-1) to read as follows:

220 “(c-1) “Licenses for short-term rentals in a portion of a principal dwelling unit, accessory  
221 dwelling units or accessory buildings shall be issued under the basic business license system as a  
222 Housing: Short term accessory rental endorsement on a basic business license.”.

223 “(c-2) “Licenses for short-term rentals in a principal dwelling unit with exclusive access  
224 shall be issued under the basic business license system as a Housing: Short term vacation rental  
225 endorsement on a basic business license.”.

226 (b) Section 47-2851.03(6) is amended as follows:

227 (1) Subparagraph (A) is amended by striking the word “and”.

228 (2) Subparagraph (B) is amended by striking the phrase “Housing: Residential;” and  
229 inserting the phrase “Housing: Residential; and”

230 (3) New subparagraph (C) is added to read as follows:

231 “(C) Housing: Short term rental;”.

232 TITLE III. FISCAL IMPACT STATEMENT.

233 Sec. 301. Fiscal impact statement.

234 The Council adopts the fiscal impact statement in the committee report as the fiscal  
235 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
236 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

237 TITLE IV. EFFECTIVE DATE.

238 Sec. 401. Effective date.

239 This act shall take effect following approval by the Mayor (or in the event of veto by the

240 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
241 provided in section 602(c)(1) of the District of Columbia Home Act, approved December 24,  
242 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
243 Columbia Register.

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