

HCS HB 608 -- RESIDENTIAL DWELLING RENTALS

SPONSOR: Anderson

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on General Laws by a vote of 12 to 0. Voted "Do Pass" by the Committee on Rules- Legislative Oversight by a vote of 9 to 0.

This bill prohibits political subdivisions from enacting or enforcing ordinances that prohibit or unreasonably restrict residential dwelling rentals, or regulate the rentals based solely on their use as a residential dwelling rental. Ordinances in effect prior to April 1, 2018, may be enforced. Definitions for "residential dwelling" and "residential dwelling rental" are provided in the bill.

The bill specifies certain areas regarding residential dwelling rentals that may be regulated.

Guests of residential dwelling rentals must pay all applicable taxes imposed by the state or a local taxing entity. An owner or a facilitation platform, which is defined by the bill, must collect and remit any taxes a transient guest is required to pay. Intermediaries that facilitate rentals of residential dwellings that do not meet the definition of a facilitation platform must retain records of rentals and notify transient guests that they are obligated to pay certain taxes.

Under the bill, residential dwelling rentals are excluded from the definition of "lodging establishment" for purposes of certain laws regulating hotels, motels, and other similar lodging establishments.

This bill is similar to SB 1117 (2016).

PROPOSERS: Supporters say that this bill provides guidelines for the reasonable regulation of residential dwelling rentals. Currently, any municipality or political subdivision can pass any law regulating or prohibiting these rentals. The use of platforms to facilitate these types of rentals is relatively new and in some localities there are no regulations in place. This bill would help ensure parity between these rentals and traditional lodging establishments.

Testifying for the bill were Representative Anderson; Americans For Prosperity; JRM Properties, LLC; Jamila Jefferson-Jones; Barbara Mitchell; Stephen G. Mitchell; and William Shoehigh, Expedia, Inc.

OPPOSERS: Those who oppose the bill are concerned that the bill

allows political subdivisions to prohibit residential dwelling rentals so long as the political subdivision does so before April 1, 2018. Prohibiting these rentals would cost families their income and destabilize the real estate market in areas that are vacation destinations. This bill will lead to over regulation and impose burdensome costs on renters. This bill only helps Expedia, not individual renters trying to earn a living.

Testifying against the bill were Ryan Gattermeir, Missouri Realtors; Greg Hasty; Bill Johnson, Lake of The Ozarks Board of Realtors; Municipal League of Metro St. Louis; Laura Martin; Phyllis Morris; Brad Moncado; Missouri Hotel Lodging Association; Missouri Municipal League; Edward Werner; Karen Werner; and Jeramie Worley.

OTHERS: Others testifying on the bill expressed concern about the tax language. They would like to see some type of lodging tax registration so that the renter is identifying himself or herself to the county. This would allow the county to ensure that renters are meeting all of the local requirements.

Testifying on the bill were Tri-County Lodging Association and Craig Stevens.