

HOUSE BILL NO. 695

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Finance

on February 7, 2024)

(Patron Prior to Substitute--Delegate Ware)

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.

**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.

25 3. The Department shall maintain the registry described in this subsection and require  
26 accommodations providers and intermediaries to provide updates to any of the required information within  
27 30 days of any changes.

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

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

- 35 1. The unique numerical identifier for each such short-term rental.
- 36 2. The address of each individual property in the Commonwealth offered for short-term rental by  
37 each accommodations provider, including sufficient information to identify the locality or localities in  
38 which the accommodations are located.
- 39 3. The uniform resources locator (URL) for the Internet address of each short-term rental listing.
- 40 4. The individual period of rental by calendar date, and the itemized amounts collected or  
41 processed by the accommodations intermediary for room charges as defined in § 58.1-602;  
42 accommodations fees as defined in § 58.1-602, to include any fee charged to the customer and retained as  
43 compensation for facilitating the sale, whether described as an accommodations fee, facilitation fee, or  
44 any other name; state sales and use tax; local transient occupancy tax; and all other charges.

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

48 D. The Department shall provide to the commissioner of the revenue or other assessing official for  
49 each locality access to the registry and information contained therein for all short-term rentals located  
50 within the jurisdiction of the commissioner of the revenue or other assessing official. The commissioner  
51 of the revenue or other assessing official may share the information described in subdivisions C 1, 2, and

52 3 with the officials responsible for zoning in his locality; however, the information described in  
53 subdivision C 4 shall remain confidential and shall not be shared.

54 E. The commissioner of the revenue, or other assessing official, for the locality shall notify an  
55 accommodations intermediary upon finding that any short-term rental on its platform is not lawfully  
56 registered, permitted, or otherwise authorized to be offered as a short-term rental pursuant to § 15.2-983,  
57 a local zoning ordinance, or other provision of law. Such notification shall identify the short-term rental  
58 listing's unique numerical identifier and uniform resource locator (URL) or other digital location and state  
59 the reason for noncompliance.

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

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

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

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