



Monday, February 1, 2016

Capitol Contact ALERT (2nd Request) – Place your calls and emails NOW to oppose HB 812!

Proposed limited residency bills raise safety, zoning and tax concerns

[HB 812 \(Peace\)](#) is on second reading in the [House of Delegates](#) tomorrow and your call or email to [Delegates](#) to **oppose** is very important. This is one of several bills that allows property owners to rent out their homes or rooms.

HB 812, along with [SB 416 \(Vogel\)](#), establishes a state mandated law governing short-term rentals in residential area through hosting platforms such as Airbnb, FlipKey and other Internet websites. Counties are concerned over the safety of people renting the rooms, the preemption of local zoning authority and loss of tax revenue.

Both bills –

- Preempt local zoning requirements by providing that these limited residential lodgings cannot be restricted by local ordinances addressing this use.
- There is no authority for a local zoning administrator to inspect the properties or to know that these properties have the Airbnb Use.
- Provide that property owners renting their property through these platforms must have smoke alarms and provide information on noise ordinances, trash collection, emergency numbers, etc., to renters, but includes no mechanism for the locality to know which properties are rented and therefore no mechanism for enforcement of these requirements.

- Exempt property owners who rent space in their residence for a certain number of days in a year from the definition of a business.
- Provide that property owners are required to remit taxes or, alternatively, Airbnb or other “hosting platforms” may enter into an agreement with the Department of Taxation to remit taxes.
- The bills allow the Department of Taxation some authority to audit, but prohibits the department from sharing any information on the transactions with localities. Further, the audit will be conducted on the basis of anonymous numbered accounts and will not include any personally identifiable information.
- Commissioners of the Revenue or other local tax assessors are specifically prohibited from auditing the businesses.
- [This chart provides additional detailed analysis for review.](#)

TALKING POINTS

Contact your [Delegates](#) and encourage them to **oppose** [HB 812 \(Peace\)](#) tomorrow on the House floor.

- The bills usurp local zoning authority and preclude local residents from determining how to regulate these types of enterprises.
- The auditing requirements are weak, and there is no way for localities to know whether the Department of Taxation has returned the correct local sales tax.
- The locality has knowledge of the location and limited authority to protect the health and safety of the consumers.
- In crowded urban areas where parking is at a premium, unregulated operations of this type will make parking availability even more difficult for full-time residents.

KEY CONTACTS

[House of Delegates](#)

VACo Contacts: [Dean Lynch, CAE](#) and [Phyllis Errico, CAE](#)

Hydraulic Fracturing: Bills protecting chemical trade secrets will be heard tomorrow

[HB 1389 \(Robinson\)](#) and [SB 706 \(Chafin\)](#) are companion bills that amend the Freedom of Information Act (FOIA) by excluding as trade secrets the types of chemicals that may be used in the process of hydraulic fracturing (or fracking). HB 1389 was introduced by unanimous consent on January 28. The introduction date for SB 706 was January 21.

Both bills appear to be on a fast track. On January 28, HB 1389 was favorably recommended on a 4-2 vote by [House General Laws Subcommittee #2](#). The bill is scheduled for consideration by the full [House General Laws Committee](#) tomorrow afternoon (one half hour after adjournment of the floor session) in House Room C of the General Assembly Building.

SB 706 is also scheduled to be heard tomorrow afternoon by [Subcommittee #2](#) of the [Senate General Laws and Technology Committee](#) in third floor east conference room of the General Assembly Building. The Senate subcommittee is scheduled to meet one half hour after the Senate floor session.

VACo Contact: [Larry Land, CAE](#)