ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017 COMMITTEE STATEMENT LB628

Hearing Date: Friday February 10, 2017

Committee On: Government, Military and Veterans Affairs

Introducer: Larson

One Liner: Prohibit ordinances and resolutions prohibiting certain short-term rentals of residential property

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 7 Senators Blood, Brewer, Briese, Hilgers, Lowe, Murante, Wayne

Nay:

Absent:
Present Not Voting: 1 Senator Craighead

Verbal Testimony:

Proponents: Representing: Senator Tyson Larson Introducer

Opponents: Representing:

Christy Abraham League of Nebraska Municipalities

David Cary City of Lincoln

Kristy Phalen Nebraska Hotel & Lodging

Melody Vaccaro Self

Neutral: Representing:

Summary of purpose and/or changes:

LB 628 prohibits cities, villages or counties from adopting or enforcing a law that expressly or effectively prohibits the use of a short term rental. Further, the same political subdivisions cannot restrict the use of or regulate a short term rental based on its classification, use or occupancy, unless expressly provided for in the bill.

The enumerated political subdivisions can only regulate a short term rental if it demonstrates that the purpose of the regulation is protect public health and safety. This includes regulations in the following areas:

- Fire and building codes
- Health and sanitation
- Traffic control
- Solid or hazardous waste and pollution control
- Requiring the designation of an emergency contact for the property

The enumerated political subdivisions can only limit or prohibit the use of a short term rental for the following purposes:

- Housing sex offenders
- Operating a structured sober living home or similar enterprise
- Selling illegal drugs
- Selling alcohol or another activity that requires a permit or license under the Nebraska Liquor Control Act
- Operating as a sexually oriented business

The bill makes clear that enumerated political subdivisions must apply laws regarding land to short term rentals in the same manner that it does to other properties.

Finally, the bill makes clear that it does not affect private entities.

Explanation of amendments:

AM 405 does not change language in the original bill, but adds the following provisions.

First, it defines an "online hosting platform" as an online marketplace where individuals and entities can rent lodgings.

Second, it authorizes the Tax Commissioner to enter into a collection agreement with an online hosting platform by which the online hosting platform would collect the taxes associated with the lodging rentals that occur on their platform.

Third, it requires an online hosting platform that has entered into such an agreement to provide the Tax Commissioner with certain information.

Finally, it makes clear that an audit of taxes or transactions subject to such an agreement may only be conducted by the Tax Commissioner on the online hosting platform. The online hosting platform shall not be required to disclose any personally identifiable information relating to any seller or purchaser that uses the platform.

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