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**SENATE BILL 5870**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senators Lias and Walsh

1 AN ACT Relating to short-term rentals; adding a new chapter to  
2 Title 64 RCW; and prescribing penalties.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** DEFINITIONS. The definitions in this  
5 section apply throughout this chapter unless the context clearly  
6 requires otherwise.

7 (1) "Booking service" means any reservation or payment service  
8 provided by a person or entity that facilitates a short-term rental  
9 transaction between a short-term rental operator and a prospective  
10 short-term rental guest, and for which the person or entity collects  
11 or receives, directly or indirectly through an agent or intermediary,  
12 a fee in connection with the reservation or payment services provided  
13 for the short-term rental transaction.

14 (2) "Contact" means the operator or the operator's representative  
15 who is the point of contact for any short-term rental guest for the  
16 duration of the guest's stay in the short-term rental.

17 (3) "Department" means the department of revenue.

18 (4) "Dwelling unit" means a residential dwelling of any type,  
19 including a single-family residence, apartment, condominium, or  
20 cooperative unit, in which a person may obtain living accommodations

1 for less than thirty days, but not including duly licensed bed and  
2 breakfast, inn, hotel, motel, or timeshare property.

3 (5) "Fee" means remuneration or anything of economic value that  
4 is provided, promised, or donated primarily in exchange for services  
5 rendered.

6 (6) "Guest" means any person or persons renting a short-term  
7 rental unit.

8 (7) "Operator of a short-term rental platform within Washington  
9 state" means a short-term rental platform is engaged in business in  
10 Washington state, including having agreements with short-term rental  
11 operators or other customers in Washington state who provide dwelling  
12 units, or portions thereof, located in Washington state for short-  
13 term rental use, regardless of whether the short-term rental platform  
14 is physically present in Washington state.

15 (8) "Owner" means any person who, alone or with others, has title  
16 or interest in any building, property, dwelling unit, or portion  
17 thereof, with or without accompanying actual possession thereof, and  
18 including any person who as agent, executor, administrator, trustee,  
19 or guardian of an estate has charge, care, or control of any  
20 building, dwelling unit, or portion thereof. A person whose sole  
21 interest in any building, dwelling unit, or portion thereof is solely  
22 that of a lessee under a lease agreement is not considered an owner.

23 (9) "Person" has the same meaning as provided in RCW 82.04.030.

24 (10)(a) "Short-term rental" means a lodging use, that is not a  
25 hotel or motel or bed and breakfast, in which a dwelling unit, or  
26 portion thereof, that is offered or provided to a guest by a short-  
27 term rental operator for a fee for fewer than thirty consecutive  
28 nights.

29 (b) "Short-term rental" does not include any of the following:

30 (i) A dwelling unit that is occupied by the owner for at least  
31 six months during the calendar year and in which fewer than three  
32 rooms are rented at any time;

33 (ii) A dwelling unit, or portion thereof, that is used by the  
34 same person for thirty or more consecutive nights; or

35 (iii) A dwelling unit, or portion thereof, that is operated by an  
36 organization or government entity that is registered as a charitable  
37 organization with the secretary of state, state of Washington, or is  
38 classified by the federal internal revenue service as a public  
39 charity or a private foundation, and provides temporary housing to

1 individuals who are being treated for trauma, injury, or disease, or  
2 their family members.

3 (11) "Short-term rental advertisement" means any method of  
4 soliciting use of a dwelling unit for short-term rental purposes.

5 (12) "Short-term rental operator" or "operator" means any person  
6 who receives payment for owning or operating a dwelling unit, or  
7 portion thereof, as a short-term rental unit.

8 (13) "Short-term rental platform" or "platform" means a person  
9 that provides a means through which an operator may offer a dwelling  
10 unit, or portion thereof, for short-term rental use, and from which  
11 the person or entity financially benefits. Merely publishing a short-  
12 term rental advertisement for accommodations does not make the  
13 publisher a short-term rental platform.

14 (14) "Transient accommodation" has the same meaning as provided  
15 in RCW 70.62.210.

16 NEW SECTION. **Sec. 2.** SHORT-TERM RENTAL OPERATOR REQUIREMENTS.

17 (1) No short-term rental operator may engage in the business of  
18 providing a short-term rental unit, or portion thereof, in the state  
19 of Washington unless the short-term rental operator is in compliance  
20 with the requirements of this chapter and all applicable local codes.

21 (2) A short-term rental operator must obtain a business license  
22 from the department.

23 (3) Short-term rental operators may not advertise short-term  
24 rental units that are not licensed or which violate prohibitions or  
25 restrictions on such rentals.

26 (4) Short-term rental operators must post their business license  
27 number on every advertisement of the dwelling unit, or portion  
28 thereof, for use as a short-term rental.

29 (5) Short-term rental operators with a dwelling unit, or portion  
30 thereof, that meets the definition of a transient accommodation in  
31 RCW 70.62.210 must comply with the regulations outlined in chapter  
32 70.62 RCW for transient accommodations. This does not apply to short-  
33 term rental operators offering a dwelling unit, or portion thereof,  
34 that does not meet the definition of a transient accommodation in RCW  
35 70.62.210.

36 NEW SECTION. **Sec. 3.** TAXES. (1) Short-term rental operators  
37 must remit all applicable local, state, and federal taxes unless the  
38 platform does this on the operator's behalf. This includes occupancy,

1 sales, lodging, and other taxes, fees, and assessments to which an  
2 owner or operator of a hotel or bed and breakfast is subject in the  
3 jurisdiction in which the short-term rental is located. If the short-  
4 term rental platform collects and remits taxes on behalf of the  
5 operators, the platform must collect and remit to the appropriate  
6 authorities all occupancy, sales, lodging, and other taxes, fees, and  
7 assessments to which each short-term rental operator is subject.

8 (2) Short-term rental platforms must inform all operators who use  
9 the platform of the operator's responsibility to collect and remit  
10 all applicable local, state, and federal taxes unless the platform  
11 does this on the operator's behalf.

12 NEW SECTION. **Sec. 4.** CONSUMER SAFETY. (1) All short-term rental  
13 operators who offer dwelling units, or portions thereof, for short-  
14 term rental use in the state of Washington must:

15 (a) Provide contact information to all short-term rental guests  
16 during a guest's stay. The contact must be available to respond to  
17 inquiries at the short-term rental during the length of stay;

18 (b) Provide that their short-term rental is in compliance with  
19 RCW 19.27.530 and any rules adopted by the state building code  
20 council regarding the installation of carbon monoxide alarms; and

21 (c) Post the following information in a conspicuous place within  
22 each dwelling unit used as a short-term rental:

23 (i) The short-term rental street address;

24 (ii) The emergency contact information for summoning police,  
25 fire, or emergency medical services;

26 (iii) The floor plan indicating fire exits and escape routes;

27 (iv) The maximum occupancy limits; and

28 (v) The contact information for the operator or designated  
29 contact.

30 (2) Short-term rental platforms must provide short-term rental  
31 operators with a summary of the consumer safety requirements in  
32 subsection (1) of this section.

33 NEW SECTION. **Sec. 5.** LIABILITY INSURANCE. A short-term rental  
34 operator must maintain liability insurance to cover the short-term  
35 rental unit in the aggregate of not less than one million dollars or  
36 conduct each short-term rental transaction through a platform that  
37 provides equal or greater insurance coverage.

1        NEW SECTION.    **Sec. 6.**    SHORT-TERM RENTAL PLATFORMS. (1) No short-  
2 term rental platform may engage in the business in the state of  
3 Washington unless the short-term rental platform is in compliance  
4 with the requirements of this chapter.

5        (2) A short-term rental platform must obtain a business license  
6 from the department.

7        (3) Short-term rental platforms must inform all operators who use  
8 the platform of the operator's responsibility to obtain a Washington  
9 state business license and post their business license number on  
10 every listing advertising or offering of the dwelling unit, or  
11 portion thereof, for use as a short-term rental.

12        (4) Short-term rental platforms must require that all operators  
13 using the platform obtain their business license and include the  
14 license number in any listing for a short-term rental unit on the  
15 platform.

16        (5) (a) Short-term rental platforms must remove any listings for  
17 short-term rental units from the platform upon notification by the  
18 department.

19        (b) The department must develop, by rule, processes and  
20 procedures for the removal of any listing.

21        NEW SECTION.    **Sec. 7.**    PENALTIES. (1) Short-term rental platforms  
22 are fined the following cumulative penalties for each applicable  
23 violation of this chapter:

24        (a) Five hundred dollars per day for each violation for the first  
25 ten days; and

26        (b) One thousand dollars per day for each violation for each day  
27 beyond ten days of noncompliance until compliance is achieved.

28        (2) Short-term rental operators are fined the following penalties  
29 for violations of this chapter:

30        (a) First violation. The first time a person is found to have  
31 violated one of the provisions in this chapter, the person is subject  
32 to a penalty of five hundred dollars. The department may, in an  
33 exercise of discretion, issue a warning to the person responsible for  
34 the violation if that person has not been previously warned or cited  
35 for violating this chapter.

36        (b) Second and subsequent violations. Any second or subsequent  
37 time a person is found to have violated one of the provisions of this  
38 chapter within a five-year period, the person is subject to a penalty  
39 of one thousand dollars for each subsequent violation.

1        NEW SECTION.        **Sec. 8.**        Sections 1 through 7 of this act  
2        constitute a new chapter in Title 64 RCW.

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