

SENATE BILL REPORT

SB 5989

As Reported by Senate Committee On:
Housing, January 31, 2024

Title: An act relating to confirmation of property ownership or owner authorization for short-term rentals.

Brief Description: Confirming property ownership or owner authorization for short-term rentals.

Sponsors: Senators Gildon, Lovelett, Nobles, Shewmake and Stanford.

Brief History:

Committee Activity: Housing: 1/19/24, 1/31/24 [DP].

Brief Summary of Bill

- Confirming property ownership or owner authorization for short-term rentals.

SENATE COMMITTEE ON HOUSING

Majority Report: Do pass.

Signed by Senators Kuderer, Chair; Frame, Vice Chair; Fortunato, Ranking Member; Braun, Cleveland, Gildon, Rivers, Saldaña, Shewmake, Trudeau and Wilson, J..

Staff: Samantha Doyle (786-7335)

Background: Short-Term Rentals. A short-term rental (STR) platform is a person or entity that provides a means through which an operator may offer a dwelling unit, or portion thereof, for STR use, and from which the person or entity financially benefits. STR platforms must register with the Department of Revenue, and inform all operators who use their platforms of all STR safety and insurance requirements and their responsibility to collect and remit all applicable taxes on the operator's behalf.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

For the purpose of these provisions an STR is a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest for fewer than 30 consecutive nights. STR does not include:

- a dwelling unit occupied by the owner for at least six months during the calendar year and in which fewer than three rooms are rented at any time;
- a dwelling unit, or portion thereof, used by the same person for 30 or more consecutive nights; or
- a dwelling unit, or portion thereof, operated by an organization or government entity registered as a charitable organization in the state of Washington, or is classified by the federal Internal Revenue Service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease, or their family members.

Summary of Bill: Operators using or contracting with STR platforms must indicate they are either the property owner or authorized by the property owner to offer the dwelling unit, or portion thereof, for STR use. For this purpose STR is a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest for fewer than 30 consecutive nights. An STR does not include:

- a dwelling unit, or portion thereof, used by the same person for 30 or more consecutive nights; or
- a dwelling unit, or portion thereof, operated by an organization or government entity registered as a charitable organization in the state of Washington, or is classified by the federal internal revenue service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease, or their family members.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill initially came out of a news story that while it turns out it there was more than meets the eye, it did illuminate a gap that we need to close. That gap is the potential for a tenant who is offering short-term rental units for lease without the permission of the owner. We worked with many stakeholders including the major platforms, Airbnb and VRBO, as well as the Multi-family Housing Association, renters associations, and low-income associations.

Persons Testifying: PRO: Senator Chris Gildon, Prime Sponsor.

Persons Signed In To Testify But Not Testifying: No one.