

REFERENCE TITLE: short-term rentals; online lodging marketplace

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2156

Introduced by
Representative Bliss

AN ACT

AMENDING SECTIONS 9-500.39 AND 11-269.17, ARIZONA REVISED STATUTES;
RELATING TO VACATION RENTALS AND SHORT-TERM RENTALS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-500.39, Arizona Revised Statutes, is amended
3 to read:

4 9-500.39. Limits on regulation of vacation rentals and
5 short-term rentals; state preemption; civil
6 penalties; transaction privilege tax license
7 suspension; online lodging marketplace
8 advertising requirements; definitions

9 A. A city or town may not prohibit vacation rentals or short-term
10 rentals.

11 B. A city or town may not restrict the use of or regulate vacation
12 rentals or short-term rentals based on their classification, use or
13 occupancy except as provided in this section. A city or town may regulate
14 vacation rentals or short-term rentals as follows:

15 1. To protect the public's health and safety, including rules and
16 regulations related to fire and building codes, health and sanitation,
17 transportation or traffic control and solid or hazardous waste and
18 pollution control, if the city or town demonstrates that the rule or
19 regulation is for the primary purpose of protecting the public's health
20 and safety.

21 2. To adopt and enforce use and zoning ordinances, including
22 ordinances related to noise, protection of welfare, property maintenance
23 and other nuisance issues, if the ordinance is applied in the same manner
24 as other property classified under sections 42-12003 and 42-12004.

25 3. To limit or prohibit the use of a vacation rental or short-term
26 rental for the purposes of housing sex offenders, operating or maintaining
27 a sober living home, selling illegal drugs, liquor control or pornography,
28 obscenity, nude or topless dancing and other adult-oriented businesses.

29 4. To require the owner of a vacation rental or short-term rental
30 to provide the city or town ~~an~~ WITH emergency ~~point of~~ contact information
31 for the owner or the owner's designee who is responsible for responding to
32 complaints or emergencies in a timely manner in person if required by
33 public safety personnel, over the phone or by email at any time of day
34 before offering for rent or renting the vacation rental or short-term
35 rental. In addition to any other penalty IMPOSED pursuant to this
36 section, the city or town may impose a civil penalty of up to \$1,000
37 against the owner for every thirty days the owner fails to provide contact
38 information as prescribed by this paragraph. The city or town shall
39 provide thirty days' notice to the owner before imposing the initial civil
40 penalty.

41 5. To require ~~an~~ THE owner of a vacation rental or short-term
42 rental to obtain and maintain a local regulatory permit or license
43 ~~pursuant to title 9, chapter 7, article 4~~. As a condition of issuance of
44 a permit or license, the application for the permit or license may require
45 an applicant to provide only the following:

- 1 (a) THE name, address, ~~phone~~ TELEPHONE number and email address for
2 the owner or owner's agent.
- 3 (b) THE address of the vacation rental or short-term rental.
- 4 (c) Proof of compliance with section 42-5005.
- 5 (d) Contact information required pursuant to paragraph 4 of this
6 subsection.
- 7 (e) Acknowledgment of an agreement to comply with all applicable
8 laws, regulations and ordinances.
- 9 (f) A fee not to exceed the actual cost of issuing the permit or
10 license or \$250, whichever is less.
- 11 6. To require, before offering a vacation rental or short-term
12 rental for rent for the first time, the owner or the owner's designee of a
13 vacation rental or short-term rental to notify all single-family
14 residential properties adjacent to, ~~AND~~ AND directly and diagonally across
15 the street from the vacation rental or short-term rental. Notice shall be
16 deemed sufficient in a multifamily residential building if given to
17 residents on the same building floor. A city or town may require
18 additional notification pursuant to this paragraph if the contact
19 information previously provided changes. Notification provided in
20 compliance with this paragraph shall include the permit or license number
21 if required by the city or town, the address, ~~OF THE VACATION RENTAL OR~~
22 SHORT-TERM RENTAL and the information required pursuant to paragraph 4 of
23 this subsection. The owner or the owner's designee shall demonstrate
24 compliance with this paragraph by providing the city or town with an
25 attestation of notification compliance that consists of the following
26 information:
- 27 (a) The permit or license number of the vacation rental or
28 short-term rental, if required by the city or town.
- 29 (b) The address of each property notified.
- 30 (c) A description of the manner in which the owner or owner's
31 designee chose to provide notification to each property subject to
32 notification.
- 33 (d) The name and contact information of the person attesting to
34 compliance with this paragraph.
- 35 7. To require the owner or owner's designee of a vacation rental or
36 short-term rental to display the local regulatory permit number or license
37 number, if any, on each advertisement for a vacation rental or short-term
38 rental that the owner or owner's designee maintains. A city or town that
39 does not require a local regulatory permit or license may require the
40 owner or owner's designee of a vacation rental or short-term rental to
41 display the transaction privilege tax license NUMBER required by section
42 42-5042 on each advertisement for a vacation rental or short-term rental
43 that the owner or owner's designee maintains.
- 44 8. To require the vacation rental or short-term rental to maintain
45 liability insurance appropriate to cover the vacation rental or short-term

1 rental in the aggregate of at least \$500,000 or to advertise and offer
2 each vacation rental or short-term rental through an online lodging
3 marketplace that provides equal or greater coverage.

4 C. A city or town that requires a local regulatory permit or
5 license pursuant to this section shall issue or deny the permit or license
6 within seven business days of receipt of the information required by
7 subsection B, paragraph 5 of this section and otherwise in accordance with
8 section 9-835, except that a city or town may deny issuance of a permit or
9 license only for any of the following:

10 1. Failure to provide the information required by subsection B,
11 paragraph 5, subdivisions (a) through (e) of this section.

12 2. Failure to pay the required permit or license fee.

13 3. At the time of application the owner has a suspended permit or
14 license for the same vacation rental or short-term rental.

15 4. The applicant provides false information.

16 5. The owner or owner's designee of a vacation rental or short-term
17 rental is a registered sex offender or has been convicted of any felony
18 ~~act~~ OFFENSE that resulted in death or serious physical injury or any
19 felony use of a deadly weapon within the past five years.

20 D. A city or town that requires a local regulatory permit or
21 license pursuant to this section shall adopt an ordinance to allow the
22 city or town to initiate an administrative process to suspend a local
23 regulatory permit or license for a period of up to twelve months for the
24 following verified violations associated with a property:

25 1. Three verified violations within a twelve-month period, not
26 including any verified violation based on an aesthetic, solid waste
27 disposal or vehicle parking violation that is not also a serious threat to
28 public health and safety.

29 2. One verified violation that results in or constitutes any of the
30 following:

31 (a) A felony offense committed at or in the vicinity of a vacation
32 rental or short-term rental by the vacation rental or short-term rental
33 owner or owner's designee.

34 (b) A serious physical injury or wrongful death at or related to a
35 vacation rental or short-term rental resulting from the knowing,
36 intentional or reckless conduct of the vacation rental or short-term
37 rental owner or owner's designee.

38 (c) An owner or owner's designee knowingly or intentionally housing
39 a sex offender, allowing offenses related to adult-oriented businesses,
40 sexual offenses or prostitution, or operating or maintaining a sober
41 living home, in violation of a regulation or ordinance adopted pursuant to
42 subsection B, paragraph 3 of this section.

43 (d) An owner or owner's designee knowingly or intentionally
44 allowing the use of a vacation rental or short-term rental for a special
45 event that would otherwise require a permit or license pursuant to a city

1 or town ordinance or a state law or rule or for a retail, restaurant,
2 banquet space or other similar use.

3 3. Notwithstanding paragraphs 1 and 2 of this subsection, any
4 attempted or completed felony ~~act~~ OFFENSE, arising from the occupancy or
5 use of a vacation rental or short-term rental, that results in a death, or
6 actual or attempted serious physical injury, shall be grounds for judicial
7 relief in the form of a suspension of the property's use as a vacation
8 rental or short-term rental for a period of time that shall not exceed
9 twelve months.

10 E. A city or town that requires sex offender background checks on a
11 vacation rental or short-term rental guest shall waive the requirement if
12 an online lodging marketplace performs a sex offender background check of
13 the booking guest.

14 F. Notwithstanding any other law, a city or town may impose a civil
15 penalty of the following amounts against an owner of a vacation rental or
16 short-term rental if the owner receives one or more verified violations
17 related to the same vacation rental or short-term rental property within
18 the same twelve-month period:

19 1. Up to \$500 or up to an amount equal to one night's rent for the
20 vacation rental or short-term rental as advertised, whichever is greater,
21 for the first verified violation.

22 2. Up to \$1,000 or up to an amount equal to two nights' rent for
23 the vacation rental or short-term rental as advertised, whichever is
24 greater, for the second verified violation.

25 3. Up to \$3,500 or up to an amount equal to three nights' rent for
26 the vacation rental or short-term rental as advertised, whichever is
27 greater, for a third and any subsequent verified violation.

28 G. A vacation rental or short-term rental that fails to apply for a
29 local regulatory permit or license in accordance with subsection B,
30 paragraph 5 of this section, within thirty days of the local regulatory
31 permit or license application process being made available by the city or
32 town issuing such permits or licenses, must cease operations. In addition
33 to any ~~finer~~ CIVIL PENALTY imposed pursuant to subsection F of this
34 section, a city or town may impose a civil penalty of up to \$1,000 per
35 month against the owner if the owner or owner's designee fails to apply
36 for a regulatory permit or license within thirty days after receiving
37 written notice of the failure to comply with subsection B, paragraph 5 of
38 this section.

39 H. If multiple verified violations arise out of the same response
40 to an incident at a vacation rental or short-term rental, those verified
41 violations are considered one verified violation for the purpose of
42 assessing civil penalties or suspending the regulatory permit or license
43 of the owner ~~or owner's designee~~ pursuant to this section.

44 I. If the owner of a vacation rental or short-term rental has
45 provided contact information to a city or town pursuant to subsection B,

1 paragraph 4 of this section and if the city or town issues a citation for
2 a violation of the city's or town's applicable laws, regulations or
3 ordinances or a state law that occurred on the owner's vacation rental or
4 short-term rental property, the city or town shall make a reasonable
5 attempt to notify the owner or the owner's designee of the citation within
6 seven business days after the citation is issued using the contact
7 information provided pursuant to subsection B, paragraph 4 of this
8 section. If the owner of a vacation rental or short-term rental has not
9 provided contact information pursuant to subsection B, paragraph 4 of this
10 section, the city or town is not required to provide such notice.

11 J. This section does not exempt an owner of a residential rental
12 property, as defined in section 33-1901, from maintaining with the
13 assessor of the county in which the property is located information
14 required under title 33, chapter 17, article 1.

15 K. A vacation rental or short-term rental may not be used for
16 nonresidential uses, including for a special event that would otherwise
17 require a permit or license pursuant to a city or town ordinance or a
18 state law or rule or for a retail, restaurant, banquet space or other
19 similar use.

20 L. AN ONLINE LODGING MARKETPLACE SHALL REQUIRE THE OWNER OF A
21 VACATION RENTAL OR SHORT-TERM RENTAL TO SHOW THAT THE OWNER OF THE
22 VACATION RENTAL OR SHORT-TERM RENTAL IS IN COMPLIANCE WITH THE LICENSING
23 REQUIREMENTS OF SUBSECTION B, PARAGRAPH 5 OF THIS SECTION AND THE
24 INSURANCE REQUIREMENTS OF SUBSECTION B, PARAGRAPH 8 OF THIS SECTION, IF
25 APPLICABLE, BEFORE ALLOWING AN ADVERTISEMENT FOR RENTAL OF THE VACATION
26 RENTAL OR SHORT-TERM RENTAL ON THE ONLINE LODGING MARKETPLACE. AN ONLINE
27 LODGING MARKETPLACE THAT ALLOWS AN ADVERTISEMENT FOR A VACATION RENTAL OR
28 SHORT-TERM RENTAL IF THE OWNER OF THE VACATION RENTAL OR SHORT-TERM RENTAL
29 HAS NOT SHOWN COMPLIANCE WITH THE REQUIREMENTS OF SUBSECTION B, PARAGRAPHS
30 5 AND 8 OF THIS SECTION, IF APPLICABLE, SHALL BE SUBJECT TO A CIVIL
31 PENALTY OF UP TO \$500 OR UP TO AN AMOUNT EQUAL TO ONE NIGHT'S RENT FOR THE
32 VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS GREATER,
33 AFTER THIRTY DAYS OF THE VACATION RENTAL OR SHORT-TERM RENTAL
34 ADVERTISEMENT APPEARING ON THE ONLINE LODGING MARKETPLACE.

35 ~~L.~~ M. For the purposes of this section:

36 1. "Online lodging marketplace" has the same meaning prescribed in
37 section 42-5076.

38 2. "Transient" has the same meaning prescribed in section 42-5070.

39 3. "Vacation rental" or "short-term rental":

40 (a) Means any individually or collectively owned single-family or
41 one-to-four-family house or dwelling unit or any unit or group of units in
42 a condominium or cooperative that is also a transient public lodging
43 establishment or owner-occupied residential home offered for transient use
44 if the accommodations are not classified for property taxation under
45 section 42-12001.

1 (b) Does not include a unit that is used for any nonresidential
2 use, including retail, restaurant, banquet space, event center or another
3 similar use.

4 4. "Verified violation" means a finding of guilt or civil
5 responsibility for violating any state law or local ordinance relating to
6 a purpose prescribed in subsection B, D, F or K of this section that has
7 been finally adjudicated.

8 Sec. 2. Section 11-269.17, Arizona Revised Statutes, is amended to
9 read:

10 11-269.17. Limits on regulation of vacation rentals and
11 short-term rentals; state preemption; civil
12 penalties; transaction privilege tax license
13 suspension; online lodging marketplace
14 advertising requirements; definitions

15 A. A county may not prohibit vacation rentals or short-term
16 rentals.

17 B. A county may not restrict the use of or regulate vacation
18 rentals or short-term rentals based on their classification, use or
19 occupancy except as provided in this section. A county may regulate
20 vacation rentals or short-term rentals within the unincorporated areas of
21 the county as follows:

22 1. To protect the public's health and safety, including rules and
23 regulations related to fire and building codes, health and sanitation,
24 transportation or traffic control and solid or hazardous waste and
25 pollution control, if the county demonstrates that the rule or regulation
26 is for the primary purpose of protecting the public's health and safety.

27 2. To adopt and enforce use and zoning ordinances, including
28 ordinances related to noise, protection of welfare, property maintenance
29 and other nuisance issues, if the ordinance is applied in the same manner
30 as other property classified under sections 42-12003 and 42-12004.

31 3. To limit or prohibit the use of a vacation rental or short-term
32 rental for the purposes of housing sex offenders, operating or maintaining
33 a sober living home, selling illegal drugs, liquor control or pornography,
34 obscenity, nude or topless dancing and other adult-oriented businesses.

35 4. To require the owner of a vacation rental or short-term rental
36 to provide the county with **EMERGENCY** contact information for the owner or
37 the owner's designee who is responsible for responding to complaints or
38 emergencies in a timely manner in person if required by public safety
39 personnel, over the phone or by email at any time of day before offering
40 for rent or renting the vacation rental or short-term rental. In addition
41 to any other penalty **IMPOSED** pursuant to this section, the county may
42 impose a civil penalty of up to \$1,000 against the owner for every thirty
43 days the owner fails to provide contact information as prescribed by this
44 paragraph. The county shall provide thirty days' notice to the owner
45 before imposing the initial civil penalty.

1 5. To require ~~an~~ THE owner of a vacation rental or short-term
2 rental to obtain and maintain a local regulatory permit or license. As a
3 condition of issuance of a permit or license, the application for the
4 permit or license may require an applicant to provide only the following:

5 (a) THE name, address, ~~phone~~ TELEPHONE number and email address for
6 the owner or owner's agent.

7 (b) THE address of the vacation rental or short-term rental.

8 (c) Proof of compliance with section 42-5005.

9 (d) Contact information required pursuant to paragraph 4 of this
10 subsection.

11 (e) Acknowledgment of an agreement to comply with all applicable
12 laws, regulations and ordinances.

13 (f) A fee not to exceed the actual cost of issuing the permit or
14 license or \$250, whichever is less.

15 6. To require, before offering a vacation rental or short-term
16 rental for rent for the first time, the owner or the owner's designee of a
17 vacation rental or short-term rental to notify all single-family
18 residential properties adjacent to, ~~AND~~ AND directly and diagonally across
19 the street from the vacation rental or short-term rental. Notice shall be
20 deemed sufficient in a multifamily residential building if given to
21 residents on the same building floor. A county may require additional
22 notification pursuant to this paragraph if the contact information
23 previously provided changes. Notification provided in compliance with
24 this paragraph shall include the permit or license number if required by
25 the county, the address, ~~OF THE VACATION RENTAL OR SHORT-TERM RENTAL~~ OF THE VACATION RENTAL OR SHORT-TERM RENTAL and
26 the information required pursuant to paragraph 4 of this subsection. The
27 owner or the owner's designee shall demonstrate compliance with this
28 paragraph by providing the county with an attestation of notification
29 compliance that consists of the following information:

30 (a) The permit or license number of the vacation rental or
31 short-term rental, if required by the county.

32 (b) The address of each property notified.

33 (c) A description of the manner in which the owner or owner's
34 designee chose to provide notification to each property subject to
35 notification.

36 (d) The name and contact information of the person attesting to
37 compliance with this paragraph.

38 7. To require the owner or owner's designee of a vacation rental or
39 short-term rental to display the local regulatory permit number or license
40 number, if any, on each advertisement for a vacation rental or short-term
41 rental that the owner or owner's designee maintains. A county that does
42 not require a local regulatory permit or license may require the owner or
43 owner's designee of a vacation rental or short-term rental to display the
44 transaction privilege tax license NUMBER required by section 42-5042 on

1 each advertisement for a vacation rental or short-term rental that the
2 owner or owner's designee maintains.

3 8. To require the vacation rental or short-term rental to maintain
4 liability insurance appropriate to cover the vacation rental or short-term
5 rental in the aggregate of at least \$500,000 or to advertise and offer
6 each vacation rental or short-term rental through an online lodging
7 marketplace that provides equal or greater coverage.

8 C. A county that requires a local regulatory permit or license
9 pursuant to this section shall issue or deny the permit or license within
10 seven business days of receipt of the information required by subsection
11 B, paragraph 5 of this section and otherwise in accordance with section
12 11-1602, except that a county may deny issuance of a permit or license
13 only for any of the following:

14 1. Failure to provide the information required by subsection B,
15 paragraph 5, subdivisions (a) through (e) of this section.

16 2. Failure to pay the required permit or license fee.

17 3. At the time of application the owner has a suspended permit or
18 license for the same vacation rental or short-term rental.

19 4. The applicant provides false information.

20 5. The owner or owner's designee of a vacation rental or short-term
21 rental is a registered sex offender or has been convicted of any felony
22 ~~act~~ OFFENSE that results in death or serious physical injury or any felony
23 use of a deadly weapon within the past five years.

24 D. A county that requires a local regulatory permit or license
25 pursuant to this section shall adopt an ordinance to allow the county to
26 initiate an administrative process to suspend a local regulatory permit or
27 license for a period of up to twelve months for the following verified
28 violations associated with a property:

29 1. Three verified violations within a twelve-month period, not
30 including any verified violation based on an aesthetic, solid waste
31 disposal or vehicle parking violation that is not also a serious threat to
32 public health or safety.

33 2. One verified violation that results in or constitutes any of the
34 following:

35 (a) A felony offense committed at or in the vicinity of a vacation
36 rental or short-term rental by the vacation rental or short-term rental
37 owner or owner's designee.

38 (b) A serious physical injury or wrongful death at or related to a
39 vacation rental or short-term rental resulting from the knowing,
40 intentional or reckless conduct of the vacation rental or short-term
41 rental owner or owner's designee.

42 (c) An owner or owner's designee knowingly or intentionally housing
43 a sex offender, allowing offenses related to adult-oriented businesses,
44 sexual offenses or prostitution, or operating or maintaining a sober

1 living home, in violation of regulation or ordinance adopted pursuant to
2 subsection B, paragraph 3 of this section.

3 (d) An owner or owner's designee knowingly or intentionally
4 allowing the use of a vacation rental or short-term rental for a special
5 event that would otherwise require a permit or license pursuant to a
6 county ORDINANCE or a state law or rule or for a retail, restaurant,
7 banquet space or other similar use.

8 3. Notwithstanding paragraphs 1 and 2 of this subsection, any
9 attempted or completed felony ~~act~~ OFFENSE, arising from the occupancy or
10 use of a vacation rental or short-term rental, that results in a death, or
11 actual or attempted serious physical injury, shall be grounds for judicial
12 relief in the form of a suspension of the property's use as a vacation
13 rental or short-term rental for a period of time that shall not exceed
14 twelve months.

15 E. A county that requires sex offender background checks on a
16 vacation rental or short-term rental guest shall waive the requirement if
17 an online lodging marketplace performs a sex offender background check of
18 the booking guest.

19 F. Notwithstanding any other law, a county may impose a civil
20 penalty of the following amounts against an owner of a vacation rental or
21 short-term rental if the owner receives one or more verified violations
22 related to the same vacation rental or short-term rental property within
23 the same twelve-month period:

24 1. Up to \$500 or up to an amount equal to one night's rent for the
25 vacation rental or short-term rental as advertised, whichever is greater,
26 for the first verified violation.

27 2. Up to \$1,000 or up to an amount equal to two nights' rent for
28 the vacation rental or short-term rental as advertised, whichever is
29 greater, for the second verified violation.

30 3. Up to \$3,500 or up to an amount equal to three nights' rent for
31 the vacation rental or short-term rental as advertised, whichever is
32 greater, for a third and any subsequent verified violation.

33 G. A vacation rental or short-term rental that fails to apply for a
34 local regulatory permit or license in accordance with subsection B,
35 paragraph 5 of this section, within thirty days of the local regulatory
36 permit or license application process being made available by the county
37 issuing such permits or licenses, must cease operations. In addition to
38 any ~~fines~~ CIVIL PENALTIES imposed pursuant to subsection F of this
39 section, a county may impose a civil penalty of up to \$1,000 per month
40 against the owner if the owner or owner's designee fails to apply for a
41 regulatory permit or license within thirty days after receiving written
42 notice of the failure to comply with subsection B, paragraph 5 of this
43 section.

44 H. If multiple verified violations arise out of the same response
45 to an incident at a vacation rental or short-term rental, those verified

1 violations are considered one verified violation for the purpose of
2 assessing civil penalties or suspending the regulatory permit or license
3 of the owner ~~or owner's designee~~ pursuant to this section.

4 I. If the owner of a vacation rental or short-term rental has
5 provided contact information to a county pursuant to subsection B,
6 paragraph 4 of this section and if the county issues a citation for a
7 violation of the county's applicable laws, regulations or ordinances or a
8 state law that occurred on the owner's vacation rental or short-term
9 rental property, the county shall make a reasonable attempt to notify the
10 owner or the owner's designee of the citation within seven business days
11 after the citation is issued using the contact information provided
12 pursuant to subsection B, paragraph 4 of this section. If the owner of a
13 vacation rental or short-term rental has not provided contact information
14 pursuant to subsection B, paragraph 4 of this section, the county is not
15 required to provide such notice.

16 J. This section does not exempt an owner of a residential rental
17 property, as defined in section 33-1901, from maintaining with the
18 assessor of the county in which the property is located information
19 required under title 33, chapter 17, article 1.

20 K. A vacation rental or short-term rental may not be used for
21 nonresidential uses, including for a special event that would otherwise
22 require a permit or license pursuant to a county ordinance or a state law
23 or rule or for a retail, restaurant, banquet space or other similar use.

24 L. AN ONLINE LODGING MARKETPLACE SHALL REQUIRE THE OWNER OF A
25 VACATION RENTAL OR SHORT-TERM RENTAL TO SHOW THAT THE OWNER OF THE
26 VACATION RENTAL OR SHORT-TERM RENTAL IS IN COMPLIANCE WITH THE LICENSING
27 REQUIREMENTS OF SUBSECTION B, PARAGRAPH 5 OF THIS SECTION AND THE
28 INSURANCE REQUIREMENTS OF SUBSECTION B, PARAGRAPH 8 OF THIS SECTION, IF
29 APPLICABLE, BEFORE ALLOWING AN ADVERTISEMENT FOR RENTAL OF THE VACATION
30 RENTAL OR SHORT-TERM RENTAL ON THE ONLINE LODGING MARKETPLACE. AN ONLINE
31 LODGING MARKETPLACE THAT ALLOWS AN ADVERTISEMENT FOR A VACATION RENTAL OR
32 SHORT-TERM RENTAL IF THE OWNER OF THE VACATION RENTAL OR SHORT-TERM RENTAL
33 HAS NOT SHOWN COMPLIANCE WITH THE REQUIREMENTS OF SUBSECTION B, PARAGRAPHS
34 5 AND 8 OF THIS SECTION, IF APPLICABLE, SHALL BE SUBJECT TO A CIVIL
35 PENALTY OF UP TO \$500 OR UP TO AN AMOUNT EQUAL TO ONE NIGHT'S RENT FOR THE
36 VACATION RENTAL OR SHORT-TERM RENTAL AS ADVERTISED, WHICHEVER IS GREATER,
37 AFTER THIRTY DAYS OF THE VACATION RENTAL OR SHORT-TERM RENTAL
38 ADVERTISEMENT APPEARING ON THE ONLINE LODGING MARKETPLACE.

39 ~~L.~~ M. For the purposes of this section:

40 1. "Online lodging marketplace" has the same meaning prescribed in
41 section 42-5076.

42 2. "Transient" has the same meaning prescribed in section 42-5070.

43 3. "Vacation rental" or "short-term rental":

44 (a) Means any individually or collectively owned single-family or
45 one-to-four-family house or dwelling unit or any unit or group of units in

1 a condominium or cooperative that is also a transient public lodging
2 establishment or owner-occupied residential home offered for transient use
3 if the accommodations are not classified for property taxation under
4 section 42-12001.

5 (b) Does not include a unit that is used for any nonresidential
6 use, including retail, restaurant, banquet space, event center or another
7 similar use.

8 4. "Verified violation" means a finding of guilt or civil
9 responsibility for violating any state law or local ordinance relating to
10 a purpose prescribed in subsection B, D, F or K of this section that has
11 been finally adjudicated.

12 Sec. 3. Existing online marketplace advertisements;
13 applicability

14 Notwithstanding sections 9-500.39 and 11-269.17, Arizona Revised
15 Statutes, as amended by this act, advertisements that appear on online
16 lodging marketplaces from and after December 31, 2024 may continue to
17 exist on the online lodging marketplace without the online lodging
18 marketplace verifying compliance with the requirements of sections
19 9-500.39 and 11-269.17, Arizona Revised Statutes, as amended by this act,
20 until June 30, 2025. From and after June 30, 2025, if applicable, online
21 lodging marketplaces shall require the owner of a vacation rental or
22 short-term rental with an advertisement existing on the online lodging
23 marketplace to show compliance with the requirements of sections 9-500.30
24 and 11-269.17, Arizona Revised Statutes, as amended by this act.

25 Sec. 4. Effective date

26 This act is effective from and after December 31, 2024.