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VRLTA Applauds Virginia's Preeminent Short-Term Online Rental Legislation

Richmond, Va. – April 8, 2016 – The Virginia Restaurant, Lodging & Travel Association (VRLTA), the leading association for Virginia's lodging industry, applauded Governor McAuliffe's signing of House Substitute SB 416. In the final days of the General Assembly, the Limited Residential Lodging Act was amended to include a detailed study of Short-Term Online Rental Companies, like Airbnb, as well as increased accountability and enforcement.

Before the House amendments, the bill in its original form would have legalized Short-Term Online Rental Companies throughout the state, while giving these companies the option to collect and remit appropriate taxes. The original bill would have also superseded local zoning regulations and limited future local legislation.

"Governor McAuliffe's signature on this House Substitute SB 416 is an important milestone to Virginia," said Eric Terry, president of VRLTA. "With similar legislation being pushed by Airbnb in other states, Governments across the country now have an example to draw from that codifies common sense legislation on an industry that is rapidly expanding."

The House Substitute that was passed on March 2 included language requiring online hosting platforms to register with the Virginia Department of Taxation. Additionally, the bill allows local governments to create a registry of these rental properties, to ensure basic public safety protections and zoning enforcement and removes the veil of secrecy originally sought by Airbnb around the legally-required tax payments by these properties.

"Governor McAuliffe's signing of this important legislation is a victory for Virginia's small inns and bed and breakfast establishments, consumers and communities," said Katherine Lugar, president and CEO of AH&LA. "We've seen in cities across the country the proliferation of illegal hotels run by commercial operators who use the site to rent out multiple residential properties year-round, just like a hotel, while avoiding taxes, zoning guidelines, and health and safety regulations. We believe that all lodging businesses should play by the same rules to ensure neighborhoods are not disrupted by unregulated commercial activity and remain safe and secure. Cities and towns must have the ability to deal with the challenges posed by short-term rentals. We look forward to working with the Virginia Housing Commission as they examine this critical issue in the coming months."

With Gov. McAuliffe's signature today the bill is enacted, and the Virginia Housing Commission will begin an in-depth study of this industry. The final report will be completed by December 1, 2016 and provided to the General Assembly, which will then review the information and reconsider the legislation for reenactment during the 2016 General Assembly Session.

About Virginia Restaurant, Lodging & Travel Association (VRLTA)

The Virginia Restaurant, Lodging & Travel Association is the only unified voice for the restaurant, lodging, travel and hospitality suppliers associations. VRLTA creates value for members by promoting the legislative interests of the industry, networking, educational opportunities, and protecting free enterprise. Inquiries about membership and VRLTA services should be directed to VRLTA at (804) 288-3065 or VRLTA.org.