

1 AN ACT relating to short-term rentals.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO
4 READ AS FOLLOWS:

5 *As used in Sections 1 to 6 of this Act, unless the context otherwise requires:*

- 6 *(1) "Owner" means a person that has an interest in title or a present possessory*
7 *interest in property that is offered to the public as a short-term rental;*
- 8 *(2) "Owner-occupied short-term rental property" means property that is the owner's*
9 *primary residence and is offered to the public as a short-term rental;*
- 10 *(3) "Permit" means a short-term rental permit issued by a planning unit;*
- 11 *(4) "Permitted property" means a property that is subject to a valid, unexpired,*
12 *unrevoked permit under Sections 1 to 6 of this Act. A permitted property may*
13 *contain one (1) or more dwelling units offered as short-term rentals;*
- 14 *(5) "Short-term rental" means the rental of a single family home, dwelling unit in a*
15 *single family home, dwelling unit in a two (2) family or multifamily dwelling, or a*
16 *dwelling unit in a condominium, cooperative, or timeshare, for terms of less than*
17 *thirty (30) days at a time through a short-term rental platform. The term includes*
18 *a detached accessory structure, including a guest house, or other living quarters*
19 *that are intended for human habitation, if the entire property is designated for a*
20 *single family residential use. The term does not include property that is used for*
21 *any nonresidential use; and*
- 22 *(6) "Short-term rental platform" means an entity that provides a platform through*
23 *which unaffiliated parties offer to rent a short-term rental to an occupant, and*
24 *collects consideration for the rental from the occupant.*

25 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO
26 READ AS FOLLOWS:

27 *(1) A short-term rental of an owner-occupied short-term rental property is a*

1 permitted residential use under any applicable zoning ordinance of a planning
2 unit and shall not be disallowed by any zoning ordinance in a district that permits
3 residential uses.

4 (2) A planning unit may require a conditional use permit or variance for the use of a
5 non-owner-occupied short-term rental property for short-term rentals located in a
6 residential zone. However, a planning unit shall not pass, interpret, or enforce its
7 ordinances in a manner that is intended or has the effect of prohibiting or
8 unreasonably restricting short term rentals of property pursuant to Sections 1 to 6
9 of this Act. Denial of a conditional use permit or variance for the short-term
10 rental property may be appealed in accordance with KRS 100.347.

11 (3) A planning unit may enact or enforce an ordinance or plan that regulates,
12 prohibits, or limits short-term rentals only for the following primary purposes:

13 (a) Protection of the public's health and safety related to:

14 1. Fire and building safety;

15 2. Sanitation;

16 3. Transportation;

17 4. Traffic control;

18 5. Pollution control; and

19 (b) Residential use and zoning related to:

20 1. Noise;

21 2. Protection of welfare;

22 3. Property maintenance; and

23 4. Nuisance issues; and

24 only if enforcement is performed in the same manner as enforcement that applies
25 to similar properties that are not short-term rentals.

26 (4) A planning unit may enact or enforce an ordinance or plan that regulates,
27 prohibits, or limits the use of short-term rentals to:

1 (a) House sex offenders;

2 (b) Operate a recovery residence, sober living residence, or other similar
3 facility;

4 (c) Manufacture, exhibit, distribute, or sell any illicit substance or obscene
5 materials; or

6 (d) Operate an adult entertainment establishment.

7 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO
8 READ AS FOLLOWS:

9 (1) A planning unit may require an owner to obtain a permit for each property
10 offered for short-term rentals by adopting an ordinance that sets forth only the
11 requirements of Sections 1 to 6 of this Act for obtaining a permit. A planning unit
12 that requires permits shall require only one (1) permit for each single family
13 home, two (2) family or multifamily dwelling, condominium, cooperative, or
14 timeshare that an owner rents in whole or in part under Sections 1 to 6 of this
15 Act. A permit shall cover all dwelling units and detached accessory structures
16 located on the permitted property that the owner offers to the public as a short-
17 term rental.

18 (2) An owner shall submit a permit application for each property for which a permit
19 is sought. The permit application shall require the owner to provide only the
20 following information for each property:

21 (a) 1. If the owner is an individual, the owner's name, street address,
22 mailing address, email address, and telephone number.

23 2. If the owner is a corporation or partnership:

24 a. The owner's state of incorporation or organization; and

25 b. Names, residence addresses, and telephone numbers of the
26 owner's principal officers or partners.

27 3. If a property manager is used, in addition to the information in

- 1 subparagraphs 1. and 2. of this paragraph, the property manager's
- 2 name, street address, mailing address, email address, and telephone
- 3 number; and
- 4 **(b) A short description of how each of the owner's short-term rentals on the**
- 5 property are marketed or advertised, including the following:
- 6 **1. The advertised occupancy limits of each short-term rental; and**
- 7 **2. Whether the short-term rental is a:**
- 8 a. Single family home;
- 9 b. Dwelling unit in a single family home;
- 10 c. Dwelling unit in a two (2) family or multifamily dwelling; or
- 11 d. Dwelling unit in a condominium, cooperative, or timeshare.
- 12 **(3) A permit application shall be made by an owner. If the owner is a corporation,**
- 13 partnership, or other legal entity, the permit application shall be made by an
- 14 officer or agent of the owner.
- 15 **(4) If an owner submits a permit application under this section that meets the**
- 16 requirements set forth in the ordinance adopted by the planning unit, the unit
- 17 shall issue a permit to the owner within thirty (30) days of receipt of the
- 18 application.
- 19 **(5) If any information provided by an owner to a planning unit in the permit**
- 20 application changes, the owner shall provide the updated information to the
- 21 planning unit in writing within thirty (30) business days of the change.
- 22 **(6) Permits issued under this section shall be valid for one (1) year from the date of**
- 23 issuance.
- 24 **(7) A planning unit may charge a permit fee, not to exceed one hundred fifty dollars**
- 25 (\$150), for:
- 26 (a) An initial permit issued to an owner for the permitted property; and
- 27 (b) A subsequent permit to an owner for the permitted property after the

1 owner's previous permit was revoked pursuant to subsection (9) of this
2 section.

3 (8) A planning unit shall not charge a permit fee for the renewal of a permit,
4 including the renewal of a permit that has expired.

5 (9) If three (3) or more citations for ordinance violations are issued to an owner for a
6 permitted property within a calendar year, the planning unit may revoke the
7 permit for that permitted property for a period of not more than one (1) year after
8 the date the permit is revoked. The planning unit shall provide notice and a
9 hearing for revocation in accordance with the procedures of the planning unit for
10 revocation of other permits issued by the planning unit.

11 (10) An owner may apply for a permit for a short-term rental for which a previous
12 permit of the owner was revoked by the planning unit. However, a new permit
13 shall not be issued until any outstanding fines are paid for the ordinance
14 violation citations issued to the owner with regard to the use of the short-term
15 rental.

16 (11) If an owner sells all or part of a permitted property, the permit shall not be
17 transferred to the new owner. The new owner shall submit an application for a
18 new permit pursuant to this section.

19 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO
20 READ AS FOLLOWS:

21 (1) An owner who rents a short-term rental without obtaining a valid permit from a
22 planning unit that adopts an ordinance under Sections 1 to 6 of this Act commits
23 a violation of the ordinance.

24 (2) Each short-term rental transaction that the owner of a short-term rental
25 completes without a short-term rental permit constitutes a separate violation.

26 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO
27 READ AS FOLLOWS:

1 Nothing in Sections 1 to 6 of this Act shall be construed to affect, prohibit, preempt, or
2 render unenforceable any property or use restrictions contained in the properly
3 enacted rules or regulations of a homeowners association, condominium association,
4 or other similar property owner association or cooperative.

5 ➔SECTION 6. A NEW SECTION OF KRS CHAPTER 100 IS CREATED TO
6 READ AS FOLLOWS:

7 Any local ordinance that conflicts with Sections 1 to 6 of this Act shall be null, void,
8 and unenforceable.

9 ➔Section 7. This Act may be cited as The Kentucky Short-Term Rental
10 Regulation Act.