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HB20-1093

County Business License Authority for Short-Term Rentals

Sponsors: Reps. McCluskie & Wilson/Sens. Donovan and Rankin

State statute currently allows municipalities to license and regulate any lawful business operating inside the city/town limits. Unfortunately, this same authority is not granted to county governments. The ability to issue business licenses in the unincorporated areas of the county would enhance a county's ability to track business activities to ensure equitable tax liabilities among similar businesses, establish a level playing field for businesses operating outside the city limits and provide counties the tools to ensure public health, safety and welfare.

HB 1093 would specifically give counties the authority to license and regulate short-term rental properties. The rural resort region of our state has seen an explosion in the number of short-term rentals in recent years as an alternative to traditional lodging. Without the ability to license this business activity, there is little ability for counties to ensure tax liabilities, especially sales and lodging tax, are applied equitably. This puts traditional business lodging establishments at a competitive disadvantage, and also denies collection of public tax revenues to offset the increased impact of commercial-level activities on community infrastructure and services.

Short-term rentals also present a number of problems for local governments, including failing septic systems, excessive noise complaints, illegal drug use, excessive trash/littering and parking issues. Business license authority for short-term rentals would allow counties to better regulate this burgeoning industry and address these community impacts.

Please support giving counties the ability to ensure equitable tax collection and protect public health and welfare

Vote YES on HB 1093

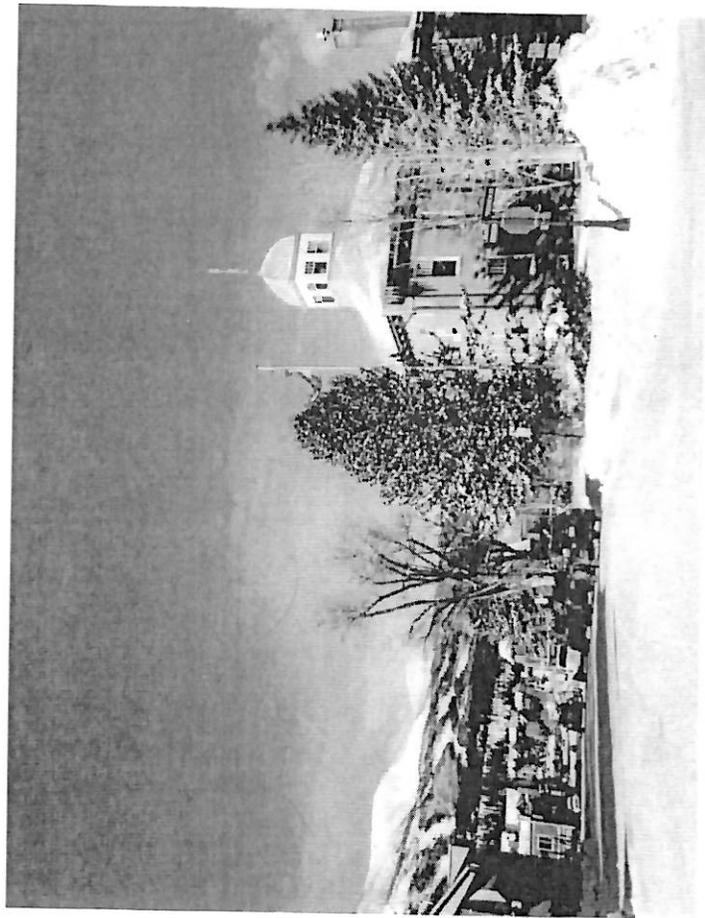
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Challenges in Regulating Short-Term Rentals

March 5, 2020



SUMMIT COUNTY
COLORADO



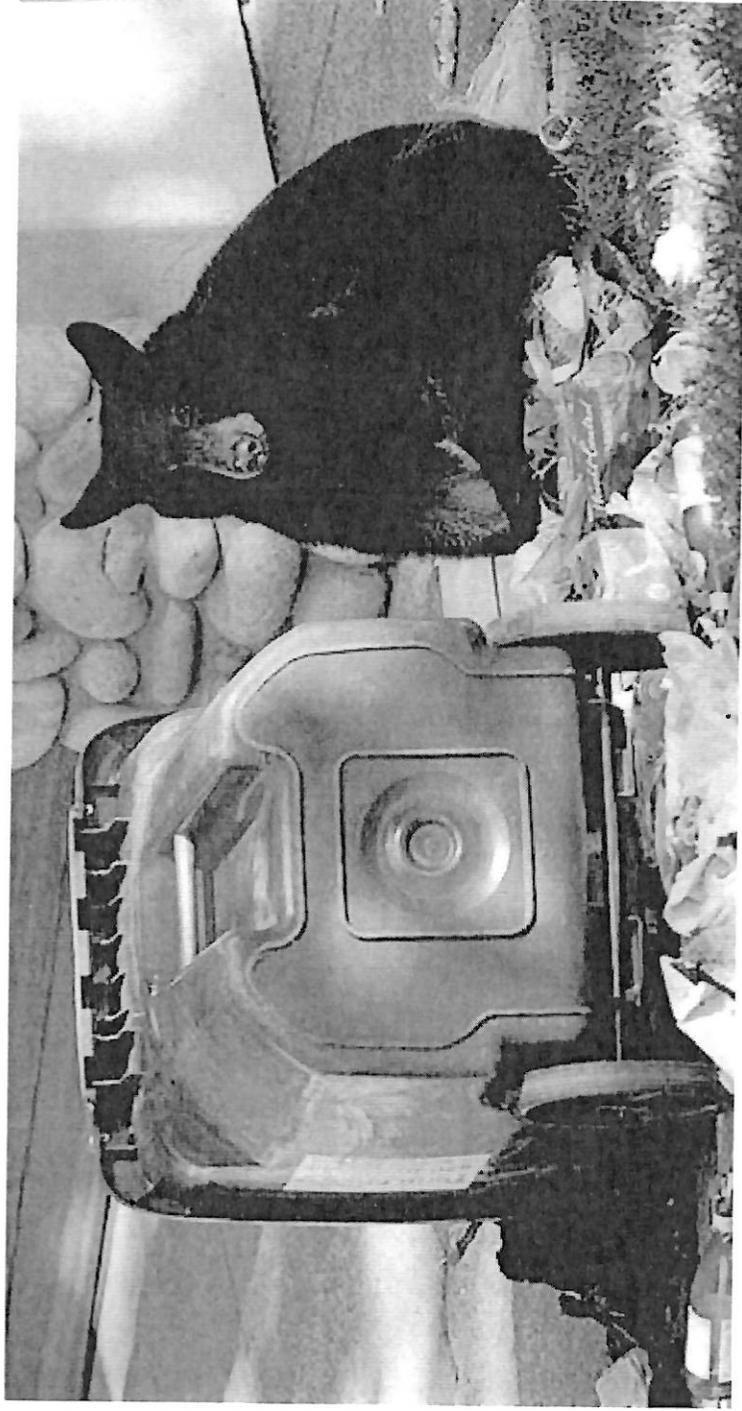
Influx of STRs

Reported Revenues for Colorado's Airbnb Hosts

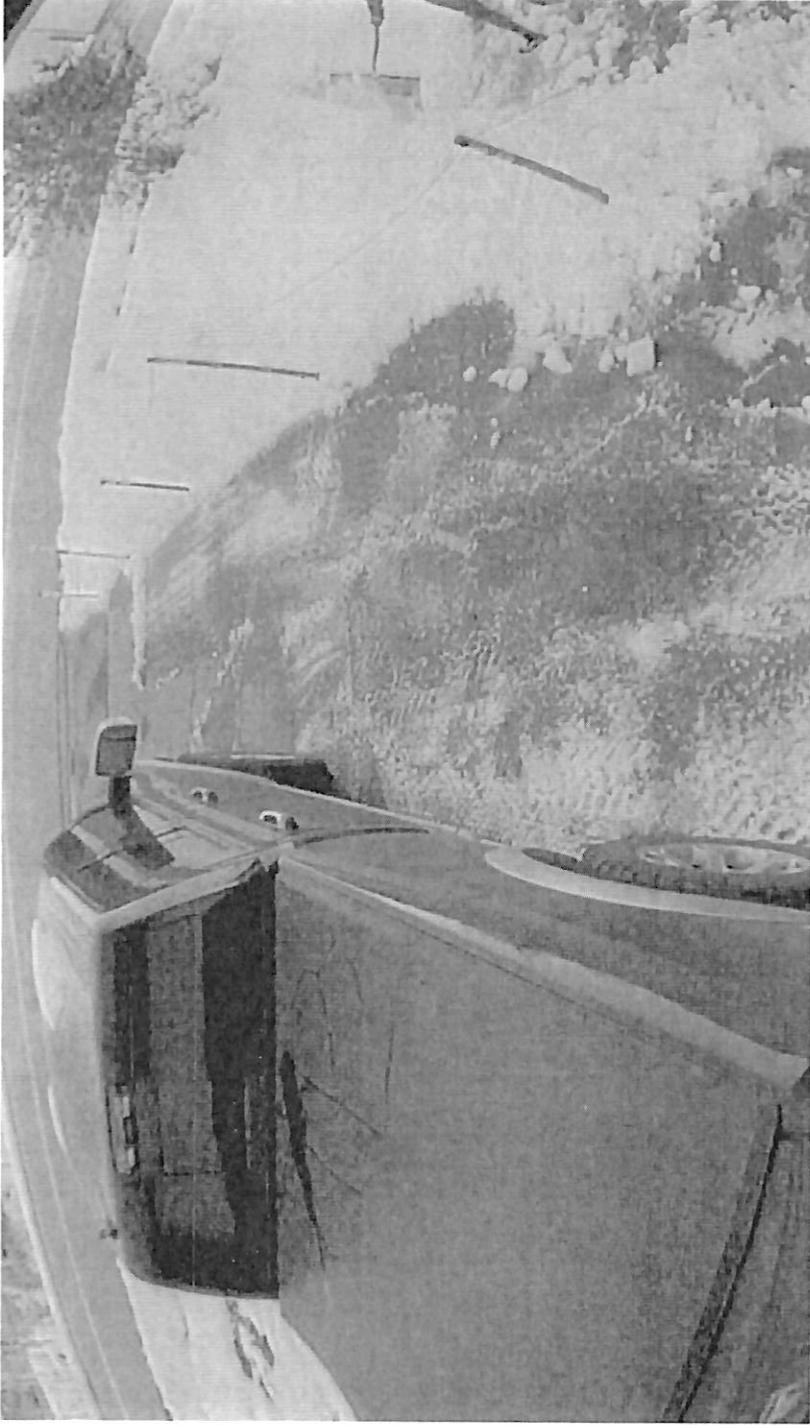
DENVER
BUSINESS JOURNAL

County	2018 Income	2019 Income
Denver	\$74.6 million	\$89.4 million
Summit	\$57 million	\$80 million
El Paso	\$17.6 million	\$26.7 million
Boulder	\$22.9 million	\$26.6 million
Larimer	\$13.6 million	\$20.8 million
Jefferson	\$12.3 million	\$18.4 million
Grand	\$11.6 million	\$18.4 million
Eagle	\$19 million	\$27.4 million
Adams	\$5.7 million	\$9.2 million
Total:	\$234.3 million	\$316.9 million

Impacts: Trash



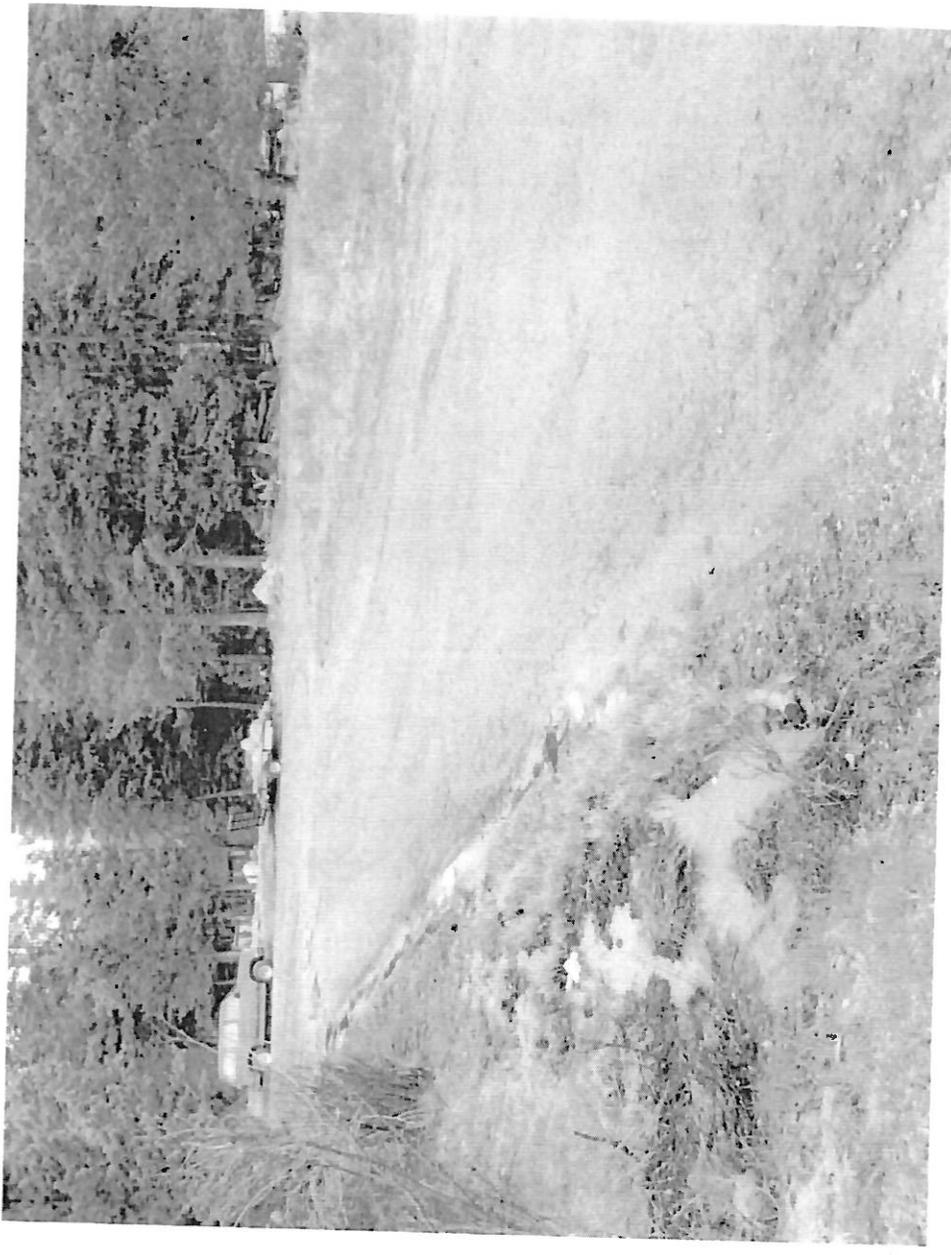
Impacts: Snow Removal



Shared Duplex Driveway

Impacts: Septic Systems & Water Quality

**Failing
Septic
Systems
...
Sewage
Running
Down
Driveway**



The Need for Licensing

- Licenses are enforceable through ticketing by law enforcement – the process functions similarly to traffic offenses
- Land use based permits are cumbersome to enforce with a drawn-out noticing and legal process
- The simple enforcement process for licenses allows for faster, more effective enforcement and resolution of problems that threaten the public health, safety, and welfare