

1 SENATE BILL NO. 268
2 INTRODUCED BY G. HERTZ

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING SHORT-TERM RENTAL LAWS;
5 ESTABLISHING THAT A SHORT-TERM RENTAL IS A RESIDENTIAL USE OF PROPERTY; ESTABLISHING
6 THAT SHORT-TERM RENTALS ARE PERMISSIBLE UNLESS PROHIBITED THROUGHOUT A ZONING
7 DISTRICT; AMENDING SECTIONS 7-1-111, 70-24-104, 76-2-205, AND 76-2-303, MCA; AND PROVIDING AN
8 IMMEDIATE EFFECTIVE DATE, A RETROACTIVE APPLICABILITY DATE, AND AN APPLICABILITY DATE."
9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 NEW SECTION. Section 1. Short-term rentals. (1) Unless the clear and express terms of a
13 covenant provide otherwise, a short-term rental is a residential use of property.

14 (2) As used in this section, "short-term rental" has the meaning provided in 15-68-101.

15
16 NEW SECTION. Section 2. Short-term rentals. (1) Unless the clear and express terms of a
17 homeowners' association's bylaws or other governing instrument provide otherwise, a short-term rental is a
18 residential use of property.

19 (2) As used in this section, "short-term rental" has the meaning provided in 15-68-101.

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21 NEW SECTION. Section 3. Short-term rentals. (1) A short-term rental is a residential use of
22 property.

23 (2) (a) Unless expressly prohibited in the entirety of a jurisdictional area or a zoning district, if the
24 jurisdictional area is divided into zoning districts, short-term rentals are permissible in areas zoned for
25 residential use.

26 (b) An express prohibition on short-term rentals may not preclude the short-term rental of all or part
27 of:

28 (i) a property owner's primary residence; ~~or~~

- 1 ~~(ii) a property adjacent to the property owner's primary residence.~~
- 2 (ii) a single, separate residence on the same parcel as a property owner's primary residence; or
- 3 (iii) a single residence on a separate property from the property owner's primary residence that
- 4 shares a boundary with the property described in subsection (2)(b)(i), inclusive of properties that are separated
- 5 by a public right-of-way but would otherwise share a boundary.

6 (3) As used in this section:

7 (a) "primary residence" means a dwelling in which the property owner can demonstrate the
8 owner's occupancy at least 7 months of the year; and

9 (b) "short-term rental" has the meaning provided in 15-68-101.

11 **NEW SECTION. Section 4. Short-term rentals.** (1) A short-term rental is a residential use of
12 property.

13 (2) (a) Unless expressly prohibited in the entirety of a municipality or a zoning district, if the
14 municipality is divided into zoning districts, short-term rentals are permissible in areas zoned for residential use.

15 (b) An express prohibition on short-term rentals may not preclude the short-term rental of all or part
16 of:

- 17 (i) a property owner's primary residence; ~~or~~
- 18 ~~(ii) a property adjacent to the property owner's primary residence~~
- 19 (ii) a single, separate residence on the same parcel as a property owner's primary residence; or
- 20 (iii) a single residence on a separate property from the property owner's primary residence that
21 shares a boundary with the property in subsection (2)(b)(i), inclusive of properties that are separated by public
22 rights-of-way but are otherwise adjacent.

23 (3) As used in this section:

24 (a) "primary residence" means a dwelling in which the property owner can demonstrate the
25 owner's occupancy at least 7 months of the year; and

26 (b) "short-term rental" has the meaning provided in 15-68-101.

28 **Section 5.** Section 7-1-111, MCA, is amended to read: