

2024 Regular Session

HOUSE BILL NO. 518

BY REPRESENTATIVES KNOX, BOYD, DOMANGUE, MENA, AND NEWELL

COMMERCE: Provides for civil penalties against an interactive computer service that books short-term rentals of property that is not in compliance with local ordinances

1 AN ACT

2 To amend and reenact the title of Chapter 2-A of Title 21 of the Louisiana Revised Statutes  
3 of 1950 and to enact R.S. 21:62, relative to short-term rentals; to prohibit certain  
4 short-term rental bookings; to provide for civil penalties for violations; to provide  
5 for enforcement; to provide for the distribution of fines; and to provide for related  
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. The title of Chapter 2-A of Title 21 of the Louisiana Revised Statutes of  
9 1950 is hereby amended and reenacted and R.S. 21:62 is hereby enacted to read as follows:

10 CHAPTER 2-A. OFFENSES BY OWNERS AND BOOKING AGENTS

11 \* \* \*

12 §62. Short-term rentals; property out of compliance with local regulations; bookings  
13 prohibited; civil penalties

14 A. No booking agent shall book a short-term rental at a property that is not  
15 in compliance with a municipal or parish ordinance that establishes restrictions on  
16 or regulations of short-term rentals.

17 B. A booking agent who violates Subsection A of this Section is subject to  
18 a civil penalty in an amount not to exceed fifteen hundred dollars per booking  
19 transaction that constitutes a violation.

1           C.(1) The district attorney for the parish in which the property is located may  
2           conduct an investigation of an alleged violation and initiate a civil action in a court  
3           of competent jurisdiction to assess civil penalties. Prior to asserting a cause of  
4           action, the district attorney shall provide the booking agent with a period of time of  
5           not less than thirty days to cease booking short-term rentals in violation of  
6           Subsection A of this Section.

7           (2) Each violation may be treated as a separate violation or may be combined  
8           into one violation at the option of the district attorney.

9           (3) A booking agent who violates Subsection A of this Section may be liable  
10          to the district attorney for all costs, expenses, and fees related to investigations and  
11          proceedings associated with the violation, including attorney fees.

12          (4) If a court assesses a civil penalty pursuant to this Section the judicial  
13          district court is entitled to legal interest as provided in R.S. 9:3500 from the date of  
14          imposition of the penalty until paid in full.

15          (5) No internet service provider, or its affiliates or subsidiaries, search  
16          engine, or cloud service provider shall be held to have violated the provisions of this  
17          Section solely for providing access or connection to or from a website or other  
18          information or content on the internet or a facility, system, or network not under the  
19          control of that provider, including transmission, downloading, intermediate storage,  
20          access software, or other related capabilities, to the extent such provider is not  
21          responsible for the violation of Subsection A of this Section.

22          D.(1) The district attorney shall distribute the fines collected pursuant to this  
23          Section to the housing authority with jurisdiction where the violation occurred.

24          (2) The fines collected shall be used for affordable housing or infrastructure  
25          or alleviating homelessness.

26          E. For purposes of this Section:

27          (1) "Booking agent" means a person who uses an interactive computer  
28          service to promote or facilitate or both short-term rental agreements between a  
29          property owner and a renter.

1                   (2) "Interactive computer service" means any information service, system,  
 2                   or access software provider that provides or enables computer access by multiple  
 3                   users to a computer server.

4                   (3) "Short-term rental" means the rental of residential property for overnight  
 5                   accommodations for transient guests for a period of less than twenty-nine days.

### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 518 Engrossed

2024 Regular Session

Knox

**Abstract:** Prohibits booking agents from booking short-term rentals at property that is not in compliance with local ordinances regulating short-term rentals; provides for civil penalties for violations.

Proposed law prohibits a booking agent from booking a short-term rental at a property that is not in compliance with a municipal or parish ordinance that establishes restrictions on or regulations of short-term rentals. Provides that a booking agent who violates proposed law is subject to a civil penalty of up to \$1,500 per transaction.

Proposed law authorizes the local district attorney to conduct an investigation of an alleged violation and initiate a civil action to assess civil penalties. Requires the district attorney to provide the booking agent with at least 30 days to cease booking short-term rentals in violation of proposed law. Provides that the booking agent may be liable for all costs, expenses, fees related to investigations and proceedings associated with the violation, including attorney fees, and legal interest.

Proposed law provides that the district attorney shall distribute the fines collected to the housing authority with jurisdiction where the violation occurred. The fines shall be used for affordable housing or infrastructure or alleviating homelessness.

(Amends the title of Chapter 2-A of Title 21 of L.R.S.; Adds R.S. 21:62)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Remove the attorney general from those who can pursue a civil fine.
2. Remove the designation of fines to the Main Street Program and instead distribute them to the local housing authority for affordable housing or infrastructure or alleviating homelessness.
3. Delete the Short-term Rentals Violation Fund.