

State of Arkansas  
94th General Assembly  
Regular Session, 2023

As Engrossed: S2/20/23 H3/6/23

# A Bill

SENATE BILL 197

By: Senator J. Bryant  
By: Representative B. McKenzie

AN

## For An Act To Be Entitled

REGULATION OF SHORT-TERM RENTALS; TO DECLARE AND  
EMERGENCY; AND FOR OTHER PURPOSES.

## Subtitle

TO PROHIBIT CERTAIN RESTRICTIONS ON THE  
REGULATION OF SHORT-TERM RENTALS; AND TO  
DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings.

The General Assembly finds that:

(1) Arkansas Constitution, Article 2, § 2, establishes that "All men are created equally free and independent, and have certain inherent and inalienable rights; amongst which are those of enjoying and defending life and liberty; of acquiring, possessing and protecting property, and reputation; and of pursuing their own happiness";

(2) Furthermore, Arkansas Constitution, Article 2, § 21, establishes that "No person shall be taken, or imprisoned, or disseized of his estate, freehold, liberties or privileges; or outlawed, or in any manner destroyed, or deprived of his life, liberty or property; except by the judgment of his peers, or the law of the land; nor shall any person, under any circumstances, be exiled from the State";

(3) Arkansans have a constitutional right to use their property without intrusion by the government;

(4) Short-term rentals are vital to the tourism and



1 marketability of the State; and

2 (5) Local governments often hold back tourism and infringe on  
3 property owners' private property rights in this state by passing ordinances  
4 that inhibit property owners' right to use their property as they see fit.

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6 SECTION 2. Arkansas Code Title 18, Chapter 11, Subchapter 1, is  
7 amended to add an additional section to read as follows:

8 18-11-110. Restrictions on regulation of short-term rentals and  
9 vacation rentals – Definitions.

10 (a) As used in this section:

11 (1) "Applicant" means:

12 (A) A short-term rental owner; or

13 (B) An assigned agent who plans to manage a short-term  
14 rental;

15 (2) "Local government" means a city or county;

16 (3)(A) "Short-term rental" means an individually or collectively  
17 owned single-family house or dwelling unit or a unit or group of units in a  
18 condominium, cooperative or timeshare, or owner-occupied residential home  
19 that is offered for a fee and for thirty (30) days or less.

20 (B) "Short-term rental" does not include a unit that is  
21 used:

22 (i) For retail;

23 (ii) As a restaurant;

24 (iii) As banquet space;

25 (iv) As an event center; or

26 (v) For any other similar use; and

27 (4) "Short-term rental marketplace" means a person who provides  
28 a platform through which a lodging operator, or the authorized agent of the  
29 lodging operator, offers a short-term rental to an occupant.

30 (b) A local government shall not enact or enforce an ordinance,  
31 resolution, rule, or other requirement of any type that prohibits or limits  
32 the use of a property as a short-term rental unit.

33 (c) A local government may enact or enforce an ordinance, resolution,  
34 rule, or other requirement that:

35 (1) Requires an applicant to obtain a permit from the local  
36 government, at no cost to the applicant, prior to the applicant's operation

1 of a short-term rental provided that the ordinance, resolution, rule, or  
2 other requirement does not expressly or in any practical effect prohibit or  
3 limit the use of a property as a short-term rental; or

4 (2) Is not more burdensome than an ordinance, resolution, rule,  
5 or other requirement that currently applies to all residential properties  
6 found within the jurisdiction of the local government.

7 (d) A short-term rental:

8 (1) Shall be classified as residential land use for zoning  
9 purposes; and

10 (2) Is subject to all zoning requirements applicable to property  
11 classified as residential land use for zoning purposes.

12 (e) A local government shall not regulate the operation of a short-  
13 term rental marketplace.

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15 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the General  
16 Assembly of the State of Arkansas that the regulatory framework for the  
17 operation of short-term rentals by local government unfairly discriminates  
18 against owners of short-term rentals; that local restrictions on short-term  
19 rental properties have negative effects including suppressing home values and  
20 discouraging tourism owners; and that local regulations on short-term rentals  
21 deny property owners their right to dominion over his or her property under  
22 Article 2 § 21 of the Arkansas Constitution. Therefore, an emergency is  
23 declared to exist, and this act being immediately necessary for the  
24 preservation of the public peace, health, and safety shall become effective  
25 on:

26 (1) The date of its approval by the Governor;

27 (2) If the bill is neither approved nor vetoed by the Governor,  
28 the expiration of the period of time during which the Governor may veto the  
29 bill; or

30 (3) If the bill is vetoed by the Governor and the veto is  
31 overridden, the date the last house overrides the veto.

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33 /s/J. Bryant  
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