

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025

A Bill

HOUSE BILL 1790

4
5 By: Representative B. McKenzie
6 By: Senator J. Bryant

For An Act To Be Entitled

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8
9 AN ACT TO AMEND THE LAW CONCERNING THE REGULATION OF
10 SHORT-TERM RENTALS BY A LOCAL GOVERNMENT; AND FOR
11 OTHER PURPOSES.

Subtitle

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14 TO AMEND THE LAW CONCERNING THE
15 REGULATION OF SHORT-TERM RENTALS BY A
16 LOCAL GOVERNMENT.

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

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21 SECTION 1. Arkansas Code Title 14, Chapter 1, Subchapter 1, is amended
22 to add an additional section to read as follows:

23 14-1-111. Local government regulation of short-term rentals —
24 Definitions.

25 (a) As used in this section:

26 (1) "Effectively prohibit" means an act or failure to act by the
27 governing body of a local government that prevents a property owner, lodging
28 operator, or tenant from using property as a short-term rental after
29 compliance with generally applicable federal, state, or local laws and with
30 any laws, rules, or regulations allowed by this section;

31 (2) "Local government" means a county, city of the first class,
32 city of the second class, or an incorporated town;

33 (3)(A) "Short-term rental" means a residence that is rented or
34 offered for rent for a period of thirty (30) days or less in exchange for a
35 fee.

36 (B) "Short-term rental" does not include any property that



1 is used:

- 2 (i) For retail;
- 3 (ii) As a restaurant;
- 4 (iii) As banquet space;
- 5 (iv) As an event center;
- 6 (v) For any other similar use under subdivisions

7 (a)(3)(B)(i) – (iv) of this section; or

8 (vi) As an owner-occupied residence in which a
 9 portion of the residence is rented; and

10 (4) "Short-term rental marketplace" means a person who provides
 11 a platform through which a property owner, lodging operator, or tenant, or
 12 the authorized agent of the property owner, lodging operator, or tenant,
 13 offers a short-term rental to an occupant.

14 (b) A local government shall not:

- 15 (1) Effectively prohibit the use of property as a short-term
 16 rental;
- 17 (2) Impose a rule or regulation creating a jurisdiction wide ban
 18 on the use of properties as short-term rentals; or
- 19 (3) Impose a rule or regulation creating a jurisdiction wide
 20 numerical limit on the use of properties as short-term rentals.

21 (c) A local government may adopt and enforce an ordinance requiring a
 22 permit to operate a short-term rental that may require:

- 23 (1) A permit fee;
- 24 (2) The identity of the short-term rental owner or owners, any
 25 registered agent for the short-term rental, and any property manager of the
 26 short-term rental;
- 27 (3) The address of the short-term rental;
- 28 (4) The current contact information of the short-term rental
 29 owner or owners, any registered agent for the short-term rental, and any
 30 property manager of the short-term rental;
- 31 (5) The posting of applicable safety and emergency contact
 32 information in any unit leased as a short-term rental; and
- 33 (6) The collection and remittance of any applicable sales and
 34 use tax and any advertising and promotion tax under § 26-75-601 et seq.

35 (d)(1) A permit issued under subsection (c) of this section may be
 36 revoked or suspended by the governing body of the local government for twelve

1 (12) months after three (3) violations of a local ordinance in a twelve-month
 2 period occurring at the short-term rental location due to the actions of the
 3 owner, permit holder, or an occupant of the short-term rental.

4 (2) A permit issued under subsection (c) of this section may be
 5 revoked or suspended by the governing body of the local government for
 6 twenty-four (24) months after a state or federal felonious criminal act has
 7 occurred at the short-term rental location, and the felonious criminal act
 8 was committed by the owner, permit holder, or an occupant of the short-term
 9 rental.

10 (3)(A) A permit issued under subsection (c) of this section may
 11 be revoked or suspended for failure to comply with generally applicable
 12 federal, state, or local laws and with any rules or regulations allowed by
 13 this section.

14 (B) Any revocation or suspension under subdivision
 15 (d)(3)(A) of this section shall last only until the short-term operator
 16 complies with generally applicable federal, state, or local laws and with any
 17 rules or regulations allowed by this section.

18 (e) A local government may enforce all health and safety codes adopted
 19 by the local government and the state including without limitation the
 20 following codes applicable to the operation of a short-term rental:

- 21 (1) Fire codes;
- 22 (2) Building codes;
- 23 (3) Plumbing codes;
- 24 (4) Sanitation codes; and
- 25 (5) Electrical codes.

26 (f) A short-term rental:

- 27 (1) Shall be classified as residential land use for zoning
 28 purposes;
- 29 (2) Shall be subject to the zoning requirements of the
 30 residential zone where the short-term rental is located; and
- 31 (3) May be a permitted use in a commercial zone.

32 (g) This section does not supersede:

- 33 (1) An agreement between a homeowners' association and a
 34 homeowner;
- 35 (2) A valid deed restriction; or
- 36 (3) A covenant.

1 (h) This section shall not limit the initiative powers of the people
2 under Arkansas Constitution, Article 5, § 1, to enact any regulation,
3 restriction, limitation, or prohibition on short-term rentals.

4 (i) A local government shall not regulate the operation of a short-
5 term rental marketplace.

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