

Amendment - 1st Reading/2nd House-blue - Requested by: Courtenay Sprunger - (H) Local Government

- 2025

69th Legislature 2025

Drafter: Toni Henneman,

SB0336.002.003

SENATE BILL NO. 336

INTRODUCED BY G. HERTZ

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING SHORT-TERM RENTAL LAWS; ESTABLISHING THAT A SHORT-TERM RENTAL IS A RESIDENTIAL USE OF PROPERTY; ESTABLISHING THAT SHORT-TERM RENTALS ARE PERMISSIBLE UNLESS PROHIBITED THROUGHOUT A ZONING DISTRICT; REQUIRING ADDITIONAL ANALYSIS WHEN SHORT TERM RENTALS ARE RESTRICTED OR PROHIBITED; AMENDING A DEFINITION; AMENDING SECTIONS 15-68-101, 76-2-104, 76-2-203, 76-2-303, AND 76-25-303, MCA; AND PROVIDING ~~AN IMMEDIATE EFFECTIVE DATE~~ EFFECTIVE DATES, A RETROACTIVE APPLICABILITY DATE, AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Short-term rentals. (1) Unless the clear and express terms of a covenant provide otherwise, a short-term rental is a residential use of property and is not a commercial, business, or other use.

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

NEW SECTION. Section 2. Short-term rentals. (1) Unless the clear and express terms of a homeowners' association's bylaws or other governing instrument provide otherwise, a short-term rental is a residential use of property and is not a commercial, business, or other use.

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

NEW SECTION. Section 3. Short-term rentals -- residential and permissible use. (1) A short-term rental is a residential use of property and is not a commercial, business, or other use AND MAY ONLY BE RESTRICTED OR PROHIBITED AS SET FORTH IN SUBSECTION (2).

(2) (a) Unless expressly prohibited in the entirety of a jurisdictional area or a zoning district, if the

Amendment - 1st Reading/2nd House-blue - Requested by: Courtenay Sprunger - (H) Local Government

- 2025

69th Legislature 2025

Drafter: Toni Henneman,

SB0336.002.003

~~(5)(6)~~ As used in this section, "primary residence" means a dwelling in which the property owner can demonstrate the owner's occupancy at least ~~183 days~~ 7 MONTHS of the year."

~~NEW SECTION. Section 11. Application for existing short-term rentals.~~ A short-term rental that was in existence on or before [the effective date of this act] may not be prohibited or further restricted by regulations adopted pursuant to [sections 3, 4, or 5] or any additional regulation that was not in existence as of [the effective date of this act].

NEW SECTION. Section 11. Codification instruction. (1) [Section 1] is intended to be codified as an integral part of Title 70, chapter 17, part 2, and the provisions of Title 70, chapter 17, part 2, apply to [section 1].

(2) [Section 2] is intended to be codified as an integral part of Title 70, chapter 17, part 9, and the provisions of Title 70, chapter 17, part 9, apply to [section 2].

(3) [Section 3] is intended to be codified as an integral part of Title 76, chapter 2, part 1, and the provisions of Title 76, chapter 2, part 1, apply to [section 3].

(4) [Section 4] is intended to be codified as an integral part of Title 76, chapter 2, part 2, and the provisions of Title 76, chapter 2, part 2, apply to [section 4].

(5) [Section 5] is intended to be codified as an integral part of Title 76, chapter 2, part 3, and the provisions of Title 76, chapter 2, part 3, apply to [section 5].

NEW SECTION. Section 12. Effective ~~dated~~dates. (1) [Sections 1 and 2] are effective December 31, 2025.

(2) ~~[This act]~~ Sections 3 through 13] ~~is~~ are effective on passage and approval.

~~NEW SECTION. Section 13. Retroactive applicability.~~ [Sections 1 and 2] apply retroactively, within the meaning of 1-2-109, to covenants on residential property and homeowners' association bylaws or other governing instruments that do not clearly and expressly address short-term rentals.

Amendment - 1st Reading/2nd House-blue - Requested by: Courtenay Sprunger - (H) Local Government

- 2025

69th Legislature 2025

Drafter: Toni Henneman,

SB0336.002.003

1

2

NEW SECTION. **Section 13. Applicability.** [Sections 1 and 2] apply to covenants on residential

3

property and homeowners' association bylaws or other governing instruments in existence on or after ~~the~~

4

~~effective date of this act~~ December 31, 2025, that do not clearly and expressly address short-term rentals.

5

- END -