***Know Your Legal Rights***

Know Your Legal Rights is a bi-monthly column distributed by the State Bar of Wisconsin. It is written by members of the State Bar of Wisconsin’s Lawyer Referral and Information Service (LRIS), which connects Wisconsinites with lawyers throughout the state. Learn more at [wislaw.org](http://www.wislaw.org/).

**Vacation season: Understanding laws on short-term rentals**

By Attorney Adam Vanderheyden, Rohde Dales LLP, Sheboygan

Wisconsin has a lot to offer, especially in the summer months. Rivers and lakes, shoreline beaches, the North Woods, championship golf courses and world-renowned sports venues provide something for everyone in both rural and urban settings. Add cheese curds to the mix and the state practically sells itself.

Home-sharing companies like Airbnb and Vrbo have opened the doors for homeowners to take part in Wisconsin’s $17 billion tourism industry by facilitating vacation rentals for residential properties. Post-pandemic, these listings will only increase. But some laws apply to “short-term rentals” of fewer than 30 consecutive days.

**Statewide Law**

In 2017, Wisconsin enacted a short-term rental law – also known as the Right to Rent Law – that applies statewide. Under the law, no city, village, town, or county (political subdivision) can prohibit rentals of residences for seven consecutive days or longer.

This statewide law does not override local laws that place restrictions on short-term rentals of less than 7 days or don’t conflict with provisions of the state law.

The state law followed several lawsuits involving homeowners who wanted to rent their homes but were told that local ordinances prohibited such short-term rentals. In some cases, neighbors may prompt restrictions on short-term rentals in their community.

But now, if a homeowner decides to list their home as a “short-term rental” for periods of 7 to 30 days, a political subdivision cannot disallow it. It can only limit (by ordinance) the total number of days that a rental unit may be rented in a year, beyond 180 days.

The political subdivision cannot limit rentals to certain times of the year but “may require that the maximum number of allowable rental days within a 365-day period must run consecutively.” Before renting, a renter must notify the clerk of the political subdivision.

**Other Requirements**

Additionally, the state law requires anyone who maintains, manages, or operates a short-term rental for more than 10 nights each year to obtain a “tourist rooming house” license from the state department of agriculture, trade, and consumer protection.

The tourist rooming house license costs $110 annually, with a one-time pre-inspection fee of $300. A political subdivision may also enact ordinances that require a license from the political subdivision in order to begin offering short-term rentals, in addition to the state license, and may enact other requirements that don’t conflict with state law.

In fact, that’s exactly what the Town of Holland did in Sheboygan County. The town enacted an ordinance that placed other requirements on short-term rentals “to ensure that the quality of short-term rentals operating within the Town is adequate for protecting public health, safety and general welfare.”

For instance, provisions of the ordinance prohibit excessive noise, limit the number of occupants, prohibits “greater than normal” traffic at the property, restricts outdoor events to no later than 10 p.m., and requires a property manager to be available at all times unless the owner lives within 35 miles of the short-term rental, among others.

These local requirements were challenged in court by a group called the Good Neighbors Alliance. But in February, a circuit court judge upheld the Town of Holland’s ordinance relating to short-term rentals, in one of the first cases since the state law passed.

Thus, it’s important for those who want to rent their homes as short-term rentals to understand the state law, but also the local ordinances that may apply.

As communities balance rental rights with other concerns like limiting nuisances, preserving neighborhoods, and controlling health and safety, lawsuits concerning short-term rentals will likely continue in the tourist destination that is Wisconsin.

Attorney Adam Vanderheyden, Rohde Dales LLP, Sheboygan, practices personal injury, real estate, insurance, and commercial law. He is a member of the State Bar of Wisconsin’s Lawyer Referral and Information Service, which connects Wisconsinites with lawyers throughout the state. Learn more at [wislaw.org](http://www.wislaw.org/).