

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND DEVELOPMENT

Introduced By: Senators Zurier, Ciccone, Mack, and Quezada

Date Introduced: March 07, 2023

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-63.1-14 of the General Laws in Chapter 42-63.1 entitled "Tourism
2 and Development" is hereby amended to read as follows:

3 **42-63.1-14. Offering residential units through a hosting platform.**

4 (a) All hosting platforms ~~For any rental property offered for tourist or transient use on a~~
5 ~~hosting platform~~ that ~~collects~~ collect and ~~remit~~ remit applicable sales and hotel taxes in compliance
6 with §§ 44-18-7.3(b)(4)(i), 44-18-18, and 44-18-36.1 are permitted to offer short-term rental, ~~cities,~~
7 ~~towns, or municipalities shall not prohibit the owner from offering the unit~~ units for tourist or
8 transient use, and may ~~through such hosting platform, or prohibit such hosting platform from~~
9 ~~providing~~ provide a person or entity the means to rent, pay for, or otherwise reserve a residential
10 unit for tourist or transient use. A hosting platform shall comply with the requirement imposed
11 upon room resellers in §§ 44-18-7.3(b)(4)(i) and 44-18-36.1 ~~in order for the prohibition of this~~
12 ~~section to apply~~. The division of taxation and the department of business regulation shall at the
13 request of a city, town, or municipality confirm whether a hosting platform is registered in
14 compliance with § 44-18-7.3(b)(4)(i). Nothing herein shall impair the authority of a city or town to
15 exercise its authority to regulate the zoning of short-term rental units.

16 (b) Any short-term rental property listed for rent on the website of any third-party hosting
17 platform that conducts business in Rhode Island shall be registered with the department of business
18 regulation. The registration shall provide the information necessary to identify the property

1 pursuant to subsection (d) of this section. For purposes of this section, the term “short-term rental”
2 means a person, firm, or corporation’s utilization, for transient lodging accommodations, not to
3 exceed thirty (30) nights at a time.

4 (c) The department of business regulation shall contact all hosting platforms that list
5 property in Rhode Island on their website for rent and that submit hotel taxes to the division of
6 taxation and shall provide notice of the registration requirement, pursuant to this section, instructing
7 the hosting platforms to notify their listed properties to register with the department of business
8 regulation by December 31, 2021, or be subject to fines pursuant to § 42-63.1-14.1.

9 (d) The state registration pursuant to this section shall include:

10 (1) The principal place of business of the owner, or if outside the state, the agent for service
11 of process or property manager for the owner;

12 (2) The phone number of the owner of the property and/or property manager;

13 (3) The email address of the property owner and/or property manager;

14 (4) The address of the rental property;

15 (5) The number of rooms for rent at the property;

16 (6) Whether the registrant rents or owns; and

17 (7) Intended use (entire space, private room, or shared space).

18 (e) The assigned registration number shall consist of numeric and alpha characters, the
19 alpha characters shall correspond to the city/town where the property is located and shall be uniform
20 for the remaining properties in said city/town.

21 (f) The department of business regulation shall notify all hosting platforms to contact all
22 listed properties by December 31, 2021, to ensure compliance with this section and if the listed
23 properties are not duly registered after six (6) months, the hosting platform shall remove the
24 property listing from its website.

25 (g) The department of business regulation shall promulgate rules and regulations to
26 correspond with and enforce this section and § 42-63.1-14.1 and may charge a registration fee to
27 property owners registering with the department pursuant to this section.

28 (h) The department of business regulation shall create an online database to store all
29 registered short-term rental units, and each unit shall have an online identification number in said
30 database to correspond with subsection (e) of this section.

31 (i) Any owner of the property who or that fails to register with the department of business
32 regulation as prescribed herein and lists the property as a short-term rental on a hosting platform
33 website shall be subject to a civil fine as follows:

34 (1) Two hundred fifty dollars (\$250) for the first thirty (30) days of non-compliance;

1 (2) Five hundred dollars (\$500) for between thirty-one (31) and sixty (60) days of non-
2 compliance; and

3 (3) One thousand dollars (\$1,000) for more than sixty (60) days of non-compliance.

4 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND
DEVELOPMENT

1 This act would allow all hosting platforms that collect and remit sales taxes and comply
2 with §§ 44-18-7.3(b)(4)(i), 44-18-18, and 44-18-36.1 to offer short-term rental units. This act would
3 not impair the authority of a city or town to exercise its authority to regulate the zoning of short-
4 term rental units.

5 This act would take effect upon passage.

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