

2022 -- S 2513

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LC005255
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND
DEVELOPMENT

Introduced By: Senator Samuel D. Zurier

Date Introduced: March 01, 2022

Referred To: Senate Judiciary

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) [Any city, town or municipality may enact or enforce a zoning, land use or other](#)
5 [ordinance that regulates, limits, or prohibits such tourist or transit use rentals; provided however,](#)
6 [for](#) ~~For~~ any rental property offered for tourist or transient use on a hosting platform that collects
7 and remits applicable sales and hotel taxes in compliance with § 44-18-7.3(b)(4)(i), §§ 44-18-18,
8 and 44-18-36.1, cities, towns or municipalities shall not prohibit the owner from offering the unit
9 for tourist or transient use [because the unit is offered for rental use](#) through such hosting platform,
10 or prohibit such hosting platform from providing a person or entity the means to rent, pay for or
11 otherwise reserve a residential unit for tourist or transient use. A hosting platform shall comply
12 with the requirement imposed upon room resellers in § 44-18-7.3(b)(4)(i) and § 44-18-36.1 in order
13 for the prohibition of this section to apply. The division of taxation shall at the request of a city,
14 town, or municipality confirm whether a hosting platform is registered in compliance with § 44-
15 18-7.3(b)(4)(i).

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 who list
5 property in Rhode Island on their website for rent and who 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 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

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RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND
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- 1 This act would prohibit cities, town, and municipalities from stopping an owner of a
- 2 residential unit from using a hosting platform to rent the property.
- 3 This act would take effect upon passage.

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