

2019 -- H 6119

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LC002411  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND  
DEVELOPMENT -- THIRD PARTY HOSTING PLATFORM MUNICIPAL REGISTRATION  
ACT

Introduced By: Representative Lauren H. Carson

Date Introduced: May 16, 2019

Referred To: House 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  
2 "Tourism and Development" is hereby amended to read as follows:

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

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

14 (b) Any third-party hosting platform that conducts business in Rhode Island and lists any  
15 short-term rental Rhode Island property on their website for rent shall only list those properties  
16 that are registered in the city or town where the property is located. The registration shall be  
17 sufficient to provide the town or city with information necessary to enforce rental laws and/or  
18 ordinances. For purposes of this section, the term "short-term rental", means a person, firm, or

1 corporations use for transient lodging accommodations not to exceed thirty (30) nights at a time.

2 (c) The division of taxation shall contact all hosting platforms who list property in Rhode  
3 Island on their website for rent and who submit hotel taxes to the division of taxation and the city  
4 of Newport and shall provide notice of the registration requirement, pursuant to this section,  
5 instructing the hosting platforms to notify their listed properties to register in the city or town  
6 where the property is located by December 31, 2019 or be subject to fines pursuant to this  
7 section.

8 (d) The municipal registration pursuant to this section shall include:

9 (1) The name and primary residential address of the owner of the property;

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

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

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

14 (5) The address of the rental property;

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

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

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

18 (e) A city or town may assign a registration number to the registered rental units and may  
19 request that the registration number appear on the third-party hosting platform website. The  
20 assigned registration number shall then be utilized, for identification purposes, on any website  
21 operated and advertised by the hosting platform.

22 (f) The division of taxation shall notify all hosting platforms to contact all listed  
23 properties by December 31, 2019, to ensure compliance with this section and if the listed  
24 properties are not duly registered after six months, the hosting platform shall remove the property  
25 listing from its website.

26 SECTION 2. Chapter 42-63.1 of the General Laws entitled "Tourism and Development"  
27 is hereby amended by adding thereto the following section:

28 **42-63.1-14.1. Properties listed on hosting platform websites.**

29 (a) Notwithstanding the provisions of § 42-63.1-14(a), a hosting platform shall not  
30 conduct business with a short-term rental unit if that unit has not registered with the city or town.  
31 Any future property that is added to the hosting platform website for rent must first be registered  
32 in the town or city where it is located before it appears on any website for rent.

33 (b) If a hosting platform lists an unregistered unit on its hosting platform website, then  
34 the city or town may issue an order of compliance within a reasonable time or, in the alternative,

1 impose a fine to each unregistered property as follows:

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

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

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

6 SECTION 3. 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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ACT

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1           This act would provide that a third party hosting platform may not conduct business  
2 involving a short-term rental unit if that unit has not registered with the city or town.

3           If a hosting platform lists an unregistered unit on its hosting platform website, then the  
4 city or town may issue an order of compliance within a reasonable time or, in the alternative,  
5 impose a fine.

6           This act would take effect upon passage.

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