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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO BUSINESSES AND PROFESSIONS - HOTELS - UNLICENSED RENTALS
ACT

Introduced By: Senators Euer, McCaffrey, Seveney, DiPalma, and Sosnowski

Date Introduced: February 13, 2020

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 5 of the General Laws entitled "BUSINESSES AND PROFESSIONS"
2 is hereby amended by adding thereto the following chapter:

3 CHAPTER 14.1

4 UNLICENSED RENTALS ACT

5 **5-14.1-1. Short title.**

6 This chapter shall be known and may be cited as the "Unlicensed Rentals Act."

7 **5-14.1-2. Definitions.**

8 As used in the chapter, the following words and terms have the following meanings:

9 (1) "Contact" means the operator or the operator's representative who is the point of
10 contact for any short-term rental guest for the duration of the guest's stay in the short-term rental.

11 (2) "Dwelling unit" means a residential dwelling of any type, including a single-family
12 residence, apartment, condominium, cooperative unit, or room, in which a person may obtain
13 living accommodations for less than thirty (30) days, but not including duly licensed bed and
14 breakfast, inn, hotel or motel as defined in § 5-14-3.

15 (3) "Guest" means any person or persons renting a short-term rental unit.

16 (4) "Operator" or "short-term rental operator" means any person who receives payment
17 for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit.

18 (5) "Owner" means any person who, alone or with others, has title or interest in any

1 building, property, dwelling unit, or portion thereof, with or without accompanying actual
2 possession thereof, and including any person who as agent, executor, administrator, trustee, or
3 guardian of an estate has charge, care, or control of any building, dwelling unit, or portion
4 thereof. A person whose sole interest in any building, dwelling unit, or portion thereof is solely
5 that of a lessee under a lease agreement is not considered an owner.

6 (6) "Short-term rental" means a lodging use, that is not a hotel or motel or bed and
7 breakfast as defined in § 5-14-3, in which a dwelling unit, or portion thereof, that is offered or
8 provided to a guest by a short-term rental operator for a fee for fewer than thirty (30) consecutive
9 nights.

10 (b) "Short-term rental" does not include any of the following:

11 (i) A dwelling unit that is occupied by the owner for at least six (6) months during the
12 calendar year and in which fewer than three (3) rooms are rented at any time;

13 (ii) A dwelling unit, or portion thereof, that is used by the same person for thirty (30) or
14 more consecutive nights; or

15 (iii) A dwelling unit, or portion thereof, that is operated by an organization or government
16 entity that is registered as a charitable organization with the secretary of state, state of Rhode
17 Island, or is classified by the federal internal revenue service as a public charity or a private
18 foundation, and provides temporary housing to individuals who are being treated for trauma,
19 injury, or disease, or their family members.

20 (7) "Short-term rental platform" or "platform" means a person that provides a means
21 through which an operator may offer a dwelling unit, or portion thereof, for short-term rental use,
22 and from which the person or entity financially benefits. Merely publishing a short-term rental
23 advertisement for accommodations does not make the publisher a short-term rental platform.

24 **5-14.1-3. Consumer Safety.**

25 (a) A short-term rental provider shall:

26 (1) Maintain the facility in a sanitary condition.

27 (2) Provide contact information to all short-term rental guests during a guest's stay. The
28 contact must be available to respond to inquiries by the guest(s) at the short-term rental during the
29 length of stay.

30 (3) Provide that the short-term rental is in compliance with 450-RICR-00-00-8.

31 (4) Post the following information in a conspicuous place within each dwelling unit used
32 as a short-term rental:

33 (i) The emergency contact for summoning police, fire or emergency medical services;

34 (ii) The floor plan indicating fire exits and escape routes;

- 1 (iii) The maximum occupancy limits; and
2 (iv) The contact information for the operator or designated contact.
3 (b) Short-term rental platforms must provide short-term rental operators with a summary
4 of the consumer safety requirements in this section.

5 **5-14.1-4. Insurance.**

6 A short-term rental operator must maintain primary liability insurance to cover the short-
7 term rental dwelling unit in the aggregate of not less than three hundred thousand dollars
8 (\$300,000) or conduct each short-term rental transaction through a platform that provides equal or
9 greater primary liability insurance coverage. Nothing in this section prevents an operator or a
10 platform from seeking contributions from any other insurer also providing primary liability
11 insurance coverage for the short-term rental transaction to the extent of that insurer's primary
12 liability coverage limits.

13 **5-14.1-5. Accessibility Requirements.**

14 A short-term rental provider who offers to rent out three (3) or more dwelling units
15 within one building must comply with all accessibility requirements to which places of public
16 accommodation are subject.

17 **5-14.1-6. Civil Rights.**

18 Each short-term rental unit shall be deemed to be a public accommodation. It shall be
19 unlawful for any person that owns, leases, rents, operates, manages or in any manner controls
20 such public accommodation to withhold, deny, curtail, limit or discriminate concerning the full
21 use of such public accommodation by any individual because of the individual's race, color, sex,
22 gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital
23 status, parental status or military discharge status.

24 **5-14.1-7. Penalties.**

25 Short-term rental listing services and short-term rental providers shall be fined five
26 hundred dollars (\$500) for each violation of this act.

27 SECTION 2. This act shall take effect on January 1, 2021.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO BUSINESSES AND PROFESSIONS - HOTELS - UNLICENSED RENTALS
ACT

- 1 This act would establish rules and regulations concerning rentals of residences for less
- 2 than thirty (30) days.
- 3 This act would take effect on January 1, 2021.

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