



# Senate

General Assembly

**File No. 119**

February Session, 2018

Substitute Senate Bill No. 356

*Senate, March 28, 2018*

The Committee on Housing reported through SEN. SLOSSBERG of the 14th Dist. and SEN. HWANG of the 28th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING LICENSING AND REGISTRATION REQUIREMENTS FOR OPERATORS OF CERTAIN SHORT-TERM RENTAL PROPERTIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2018*) For the purposes of this  
2 section and section 2 of this act:

3 (1) "Booking services" means a reservation or payment service that  
4 facilitates a short-term rental transaction between a short-term rental  
5 operator and a potential guest of a short-term rental property.

6 (2) "Guest" means any person renting a short-term rental property.

7 (3) "Short-term rental property" means a dwelling unit, or any  
8 portion thereof, that is (A) offered to a guest as temporary lodging for  
9 a fee for fewer than thirty consecutive nights, and (B) not a hotel or  
10 motel.

11 (4) "Short-term rental operator" means any owner or tenant of a  
12 short-term rental property who offers such property for rent on a  
13 short-term rental platform.

14 (5) "Short-term rental platform" means any platform, including an  
15 Internet web site, that (A) allows a short-term rental operator to offer a  
16 dwelling unit, or portion thereof, for use as a short-term rental  
17 property, (B) allows potential guests to arrange payment for use of a  
18 short-term rental property, whether such guest pays directly to the  
19 short-term rental operator or to the short-term rental platform, and (C)  
20 derives revenues from providing or maintaining booking services for a  
21 short-term rental property.

22 Sec. 2. (NEW) (*Effective October 1, 2018*) (a) Any municipality may  
23 adopt an ordinance or regulation concerning short-term rental  
24 properties. Such ordinance or regulation may include, but need not be  
25 limited to, (1) licensing requirements and procedures for short-term  
26 rental operators; (2) a requirement that each short-term rental operator  
27 provide to such municipality for each short-term rental property (A)  
28 the maximum number of guests, (B) the number of off-street parking  
29 spaces reserved for guests, and (C) a signed declaration stating such  
30 short-term rental property meets the requirements of all applicable  
31 state and local building codes; (3) limitations on the operation and use  
32 of short-term rentals, including hours, dates and zones of use; (4)  
33 licensing fees; and (5) a penalty for each violation of the ordinance or  
34 regulation.

35 (b) No person shall act as a short-term rental operator in this state  
36 after July 1, 2019, unless such person has registered as a short-term  
37 rental operator in the municipality in which the short-term rental  
38 property is located, on a form and in a manner prescribed by such  
39 municipality. Each municipality may impose a penalty for each  
40 violation of this subsection.

This act shall take effect as follows and shall amend the following sections:

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Section 1	<i>October 1, 2018</i>	New section
Sec. 2	<i>October 1, 2018</i>	New section

**HSG**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:**

Municipalities	Effect	FY 19 \$	FY 20 \$
Various Municipalities	Revenue Gain	Potential	Potential

**Explanation**

The bill results in a potential revenue gain to municipalities that choose to impose licensing fees, or monetary penalties, on operators of short-term rental properties. Any revenue gain would vary based on the ordinances adopted by municipalities, and the number of operators who register.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to the provisions of any ordinances adopted by municipalities.

**OLR Bill Analysis****sSB 356*****AN ACT CONCERNING LICENSING AND REGISTRATION REQUIREMENTS FOR OPERATORS OF CERTAIN SHORT-TERM RENTAL PROPERTIES.*****SUMMARY**

This bill (1) authorizes municipalities to adopt an ordinance or regulation governing short-term rental properties and (2) prohibits anyone from operating such a property after July 1, 2019 without registering as a short-term rental operator with the municipality in which the property is located. Registration must take place on a form and in a manner that the municipality prescribes.

The bill also authorizes municipalities to (1) include a penalty provision in any short-term rental ordinance or regulation and (2) impose penalties after July 1, 2019 for violating the registration requirement.

EFFECTIVE DATE: October 1, 2018

**DEFINITIONS**

The bill defines “short-term rental property” as a dwelling unit, or any part of it, that is (1) offered to a guest as temporary lodging for a fee for fewer than 30 consecutive nights and (2) not a hotel or motel. “Short-term rental operator” means an owner or tenant of a short-term rental property who offers the property for rent on a short-term rental platform.

Under the bill, “short-term rental platform” means any platform, including an Internet website, that (1) allows a short-term rental operator to offer a dwelling unit, or any part of it, for use as a short-term rental property; (2) allows potential guests to arrange payment

for short-term rental property use, whether directly to the operator or to the platform; and (3) derives revenues from providing or maintaining booking services for a short-term rental property. "Booking services" means a reservation or payment service that facilitates a short-term rental transaction between a short-term rental operator and a potential guest of a short-term rental property.

**ORDINANCE OR REGULATION PROVISIONS**

Under the bill, a municipal ordinance or regulation on short-term rental properties may include the following:

1. licensing requirements and procedures for operators;
2. a requirement that operators provide the municipality, for each short-term rental, with (a) the maximum number of guests, (b) the number of off-street parking spaces reserved for guests, and (c) a signed declaration that the property meets all applicable state and local building code requirements;
3. operation and use limitations, including hours, dates, and zones of use;
4. licensing fees; and
5. a penalty for each ordinance or regulation violation.

**COMMITTEE ACTION**

Housing Committee

Joint Favorable Substitute  
Yea 8 Nay 4 (03/14/2018)