### New Registration Requirement for Short-Term Rentals

A new law requires all rental properties, units, or rooms that will be listed on a hosting platform, such as Airbnb, Vacation Rental by Owner, etc., and rented for not less than thirty (30) nights, to register with the Rhode Island Department of Business Regulation by a date in 2022, not yet determined.

Public Law 425 <u>S0501B.pdf (state.ri.us)</u> Public Law 429 H5505A.pdf (state.ri.us)

#### When will DBR begin to enforce the registration requirement?

The law will most likely be enforced by the end of summer, 2022. The legislation was intended to take effect on October 1, 2021 but it did not become law until January 4, 2022 when the Rhode Island General Assembly overrode Governor McKee's veto. The original legislation gave the Department of Business Regulation (DBR) and hosting platforms approximately eight months before DBR would begin enforcement. Before registration can occur, DBR must draft regulations, hold a public hearing, design a data base, and create enforcement procedures.

## What information must the registrant provide?

- •The contact information of the owner and/or property manager;
- the address of the rental property;
- •the number of rooms or units available for rent and whether they will be shared or private, and;
- •whether the registrant rents or owns the rental property.

**How much is the registration fee?** The law authorizes DBR to charge a fee but the law does not state how much the fee will be.

# How will the law affect property owners that already register with a local municipality and/or the Secretary of State's Office?

The law does not pre-empt other state or local requirements, so property owners must continue to comply with the other requirements.

What are the penalties for non-compliance? The penalties for failure to register are:

- •\$250 for the first 30 days of non-compliance;
- •\$500 between 31 and 60 days of non-compliance, and;
- •\$1,000 for more than 60 days of non-compliance.

The law also requires hosting platforms to remove unregistered units.

#### What's next?

RIAR has contacted DBR with a number of questions about the timetable for enforcement, the registration fee, etc. Watch for more news from the RI Association of REALTORS®, and more importantly, DBR.

If you or your clients have questions, please contact the RIAR Legal Department at 401-432-6945 or email <a href="monica@rirealtors.org">monica@rirealtors.org</a>, so that we can share your questions with DBR.