SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2412

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 27, 2020

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 2412.

As amended, this bill requires a transient space marketplace, owner of a private short-term rental housing accommodation, real estate broker or agent, and any other person that collects payments from a guest to provide a refund or credit for a reservation or booking for a transient accommodation or private short-term rental housing accommodation in the State that would occur during a public health emergency or a state of emergency, or both, declared by the Governor and in effect, or when a travel restriction is in place. The transient space marketplace, owner of a private short-term rental housing accommodation, real estate broker or agent, and any other person that collects payments from a guest must provide the refund or credit to the guest for the use of the transient accommodation or for the use of the private-short term rental housing accommodation under these emergency conditions, notwithstanding any policy of the transient space marketplace or private short-term rental housing accommodation requiring payment in full in advance, or not allowing any refunds, or any other policy to the contrary.

The transient space marketplace, owner of a transient accommodation or private short-term rental housing accommodation, real estate broker or agent, and any other person that receives payments from a guest would refund, or provide as a credit for future use, their respective share of payments received from a short-term rental transaction. An owner of a transient accommodation or a private short-term rental housing accommodation must refund, or provide as a credit for future use, any payments from a guest that are received by the owner, but which were first collected by a transient space marketplace, real estate broker or agent, or any other person that collects payments from a guest prior to transmittal to the owner.

Additionally, with respect to the Public Health Emergency and State of Emergency declared by the Governor in Executive Order 103 of 2020 concerning the coronavirus disease 2019 pandemic, a refund or credit would be provided for any reservation or booking for a transient space or private short-term rental housing accommodation in

the State for any period beginning on or before March 9, 2020, if the timeframe of the reservation concluded on or after March 9, 2020.

With respect to any transaction made by a guest for a reservation or booking, pursuant to the bill, where such transaction was executed on or after June 1, 2020, the guest must provide a cancellation notice to the relevant entity no less than 30 days prior to the date of the reservation or booking to receive a refund, or credit, in full pursuant to the provisions of the bill.

As amended, a guest who, notwithstanding the public health emergency, state of emergency, or travel restriction, utilized the transient accommodation or private short-term rental housing accommodation would not be eligible for a refund or credit.

The bill would expire on the first day of the fourth month next following the conclusion of the public health emergency, the state of emergency, or the travel restriction, whichever occurs later.

COMMITTEE AMENDMENTS:

The committee amendments clarify that the transient space marketplace, owner of a transient accommodation or private short-term rental housing accommodation, real estate broker or agent, and any other person that receives payments from a guest would refund, or provide as a credit for future use, their respective share of payments received from a short-term rental transaction. An owner of a transient accommodation or a private short-term rental housing accommodation must refund, or provide as a credit for future use, any payments from a guest that are received by the owner, but which were first collected by a transient space marketplace, real estate broker or agent, or any other person that collects payments from a guest prior to transmittal to the owner.

Next, for any transaction made by a guest for a reservation or booking where such transaction was executed on or after June 1, 2020, the guest must provide a cancellation notice to the relevant entity no less than 30 days prior to the date of the reservation or booking to receive a refund, or credit, in full pursuant to the provisions of the bill.

Additionally, a guest who, notwithstanding the public health emergency, state of emergency, or travel restriction, utilized the transient accommodation or private short-term rental housing accommodation would not be eligible for a refund or credit.

Finally, the committee amendments would extend the duration of the bill to the first day of the fourth month next following the conclusion of the public health emergency, the state of emergency, or the travel restriction, whichever occurs later.