SENATE, No. 3001

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED OCTOBER 8, 2020

Sponsored by:
Senator LORETTA WEINBERG
District 37 (Bergen)

SYNOPSIS

Authorizes prohibition or regulation of rental of certain space for accommodation of transient guests.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning the prohibition or regulation of space for accommodation of transient guests, amending R.S.40:48-1 and R.S.40:52-1, and supplementing Title 40 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. R.S.40:48-1 is amended to read as follows:

40:48-1. Ordinances; general purpose. The governing body of every municipality may make, amend, repeal and enforce ordinances to:

Finances and property. 1. Manage, regulate and control the finances and property, real and personal, of the municipality;

Contracts and contractor's bonds. 2. Prescribe the form and manner of execution and approval of all contracts to be executed by the municipality and of all bonds to be given to it;

Officers and employees; duties, terms and salaries. 3. Prescribe and define, except as otherwise provided by law, the duties and terms of office or employment, of all officers and employees; and to provide for the employment and compensation of such officials and employees, in addition to those provided for by statute, as may be deemed necessary for the efficient conduct of the affairs of the municipality;

Fees. 4. Fix the fees of any officer or employee of the municipality for any service rendered in connection with his office or position, for which no specific fee or compensation is provided. In the case of salaried officers or employees, such fee shall be paid into the municipal treasury;

Salaries instead of fees; disposition of fees. 5. Provide that any officer or employee receiving compensation for his services, in whole or in part by fees, whether paid by the municipality or otherwise, shall be paid a salary to be fixed in the ordinance, and thereafter all fees received by such officer or employee shall be paid into the municipal treasury;

Maintain order. 6. Prevent vice, drunkenness and immorality; to preserve the public peace and order; to prevent and quell riots, disturbances and disorderly assemblages; to prohibit the consumption of alcoholic beverages by underage persons on private property pursuant to section 1 of P.L.2000, c.33 (C.40:48-1.2);

Punish beggars; prevention of loitering. 7. Restrain and punish drunkards, vagrants, mendicants and street beggars; to prevent loitering, lounging or sleeping in the streets, parks or public places;

Auctions and noises. 8. Regulate the ringing of bells and the crying of goods and other commodities for sale at auction or otherwise, and to prevent disturbing noises;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

Swimming; bathing costume; prohibition of public nudity. 9. Regulate or prohibit swimming or bathing in the waters of, in, or bounding the municipality, and to regulate or prohibit persons from appearing upon the public streets, parks and places clad in bathing costumes or robes, or costumes of a similar character; regulate or prohibit persons from appearing in a state of nudity upon all lands within its borders which are under the jurisdiction of the State including, without limitation, all lands owned by, controlled by, managed by or leased by the State;

Prohibit annoyance of persons or animals. 10. Regulate or prohibit any practice tending to frighten animals, or to annoy or injure persons in the public streets;

Animals; pounds; establishment and regulation. 11. Establish and regulate one or more pounds, and to prohibit or regulate the running at large of horses, cattle, dogs, swine, goats and other animals, and to authorize their impounding and sale for the penalty incurred, and the costs of impounding, keeping and sale; to regulate or prohibit the keeping of cattle, goats or swine in any part of the municipality; to authorize the destruction of dogs running at large therein;

Hucksters. 12. Prescribe and regulate the place of vending or exposing for sale articles of merchandise from vehicles;

Building regulations; wooden structures. 13. Regulate and control the construction, erection, alteration and repair of buildings and structures of every kind within the municipality; and to prohibit, within certain limits, the construction, erection or alteration of buildings or structures of wood or other combustible material;

Inflammable materials; inspect docks and buildings. 14. Regulate the use, storage, sale and disposal of inflammable or combustible materials, and to provide for the protection of life and property from fire, explosions and other dangers; to provide for inspections of buildings, docks, wharves, warehouses and other places, and of goods and materials contained therein, to secure the proper enforcement of such ordinance;

Dangerous structures; removal or destruction; procedure. 15. Provide for the removal or destruction of any building, wall or structure which is or may become dangerous to life or health, or might tend to extend a conflagration; and to assess the cost thereof as a municipal lien against the premises;

Chimneys and boilers. 16. Regulate the construction and setting up of chimneys, furnaces, stoves, boilers, ovens and other contrivances in which fire is used;

Explosives. 17. Regulate, in conformity with the statutes of this State, the manufacture, storage, sale, keeping or conveying of gunpowder, nitroglycerine, dynamite and other explosives;

Firearms and fireworks. 18. Regulate and prohibit the sale and use of guns, pistols, firearms, and fireworks of all descriptions;

Soft coal. 19. Regulate the use of soft coal in locomotives, factories, power houses and other places;

Theaters, schools, churches and public places. 20. Regulate the use of theaters, cinema houses, public halls, schools, churches, and other places where numbers of people assemble, and the exits therefrom, so that escape therefrom may be easily and safely made in case of fire or panic; and to regulate any machinery, scenery, lights, wires and other apparatus, equipment or appliances used in all places of public amusement;

Excavations. 21. Regulate excavations below the established grade or curb line of any street, not greater than eight feet, which the owner of any land may make, in the erection of any building upon his own property; and to provide for the giving of notice, in writing, of such intended excavation to any adjoining owner or owners, and that they will be required to protect and care for their several foundation walls that may be endangered by such excavation; and to provide that in case of the neglect or refusal, for 10 days, of such adjoining owner or owners to take proper action to secure and protect the foundations of any adjacent building or other structure, that the party or parties giving such notice, or their agents, contractors or employees, may enter into and upon such adjoining property and do all necessary work to make such foundations secure, and may recover the cost of such work and labor in so protecting such adjacent property; and to make such further and other provisions in relation to the proper conduct and performance of said work as the governing body or board of the municipality may deem necessary and proper;

Sample medicines. 22. Regulate and prohibit the distribution, depositing or leaving on the public streets or highways, public places or private property, or at any private place or places within any such municipality, any medicine, medicinal preparation or preparations represented to cure ailments or diseases of the body or mind, or any samples thereof, or any advertisements or circulars relating thereto, but no ordinance shall prohibit a delivery of any such article to any person above the age of 12 years willing to receive the same;

Boating. 23. Regulate the use of motor and other boats upon waters within or bounding the municipality;

Fire escapes. 24. Provide for the erection of fire escapes on buildings in the municipality, and to provide rules and regulations concerning the construction and maintenance of the same, and for the prevention of any obstruction thereof or thereon;

Care of injured employees. 25. Provide for the payment of compensation and for medical attendance to any officer or

employee of the municipality injured in the performance of his duty;

Bulkheads and other structures. 26. Fix and determine the lines of bulkheads or other works or structures to be erected, constructed or maintained by the owners of lands facing upon any navigable water in front of their lands, and in front of or along any highway or public lands of said municipality, and to designate the materials to be used, and the type, height and dimensions thereof;

Lifeguard. 27. Establish, maintain, regulate and control a lifeguard upon any beach within or bordering on the municipality;

Appropriation for life-saving apparatus. 28. Appropriate moneys to safeguard people from drowning within its borders, by location of apparatus or conduct of educational work in harmony with the plans of the United States volunteer life-saving corps in this State;

Fences. 29. Regulate the size, height and dimensions of any fences between the lands of adjoining owners, whether built or erected as division or partition fences between such lands, and whether the same exist or be erected entirely or only partly upon the lands of any such adjoining owners, or along or immediately adjacent to any division or partition line of such lands. To provide, in such ordinance, the manner of securing, fastening or shoring such fences, and for surveying the land when required by statute, and to prohibit in any such ordinance the use at a height of under 10 feet from the ground, of any device, such as wire or cable, that would be dangerous to pedestrians, equestrians, bicyclists, or drivers of off-the-road vehicles, unless that device is clearly visible to pedestrians, equestrians, bicyclists or drivers of off-the-road vehicles. In the case of fences thereafter erected contrary to the provisions thereof, the governing body may provide for a penalty for the violation of such ordinance, and in the case of such fence or fences erected or existing at the time of the passage of any such ordinance, may provide therein for the removal, change or alteration thereof, so as to make such fence or fences comply with the provisions of any such ordinance;

Advertise municipality. 30. Appropriate funds for advertising the advantages of the municipality;

Government Energy Aggregation Programs. 31. Establish programs and procedures pursuant to which the municipality may act as a government aggregator pursuant to sections 40 through 43 of P.L.1999, c.23 (C.48:3-89 through C.48:3-92), section 45 of P.L.1999, c.23 (C.48:3-94), and sections 1, 2 and 6 of P.L.2003, c.24 (C.48:3-93.1 through C.48:3-93.3). Notwithstanding the provisions of any other law, rule or regulation to the contrary, a municipality acting as a government aggregator pursuant to P.L.1999, c.23 (C.48:3-49 et al.) shall not be deemed to be a public utility pursuant to R.S.40:62-24 or R.S.48:1-1 et seq. or be deemed to be operating any form of public utility service pursuant to

R.S.40:62-1 et seq., to the extent such municipality is solely engaged in the provision of such aggregation service and not otherwise owning or operating any plant or facility for the production or distribution of gas, electricity, steam or other product as provided in R.S.40:62-12;

Joint municipal action on consent for the provision of cable television service. 32. Establish programs and procedures pursuant to which a municipality may act together with one or more municipalities in granting municipal consent for the provision of cable television service pursuant to the provisions of the "Cable Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.) as amended and supplemented. Notwithstanding the provisions of any other law, rule or regulation to the contrary, two or more municipalities acting jointly pursuant to the provisions of P.L.1972, c.186 (C.48:5A-1 et seq.) shall not be deemed a public utility pursuant to R.S.48:1-1 et seq., to the extent those municipalities are solely engaged in granting municipal consent jointly and are not otherwise owning or operating any facility for the provision of cable television service as provided in P.L.1972, c.186 (C.48:5A-1 et seq.);

Private cable television service aggregation programs. 33. Establish programs and procedures pursuant to which a municipality may employ the services of a private aggregator for the purpose of facilitating the joint action of two or more municipalities in granting municipal consent for the provision of cable television service provided that any such municipality shall adhere to the provisions of the "Cable Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.) as amended and supplemented, and to the provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.) as amended and supplemented. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a municipality that employs the services of a private aggregator pursuant to the provisions of P.L.1972, c.186 (C.48:5A-1 et seq.) shall not be deemed a public utility pursuant to R.S.48:1-1 et seq., to the extent that the municipality is solely engaged in employing the services of a private aggregator for the purpose of facilitating the joint action of two or more municipalities in granting municipal consent and is not otherwise owning or operating any facility for the provision of cable television service as provided in P.L.1972, c.186 (C.48:5A-1 et seq.);

Protective Custody. 34. Provide protective custody to persons arrested for operating a motor vehicle under the influence of alcoholic beverages, any chemical substance, or any controlled dangerous substance in violation of R.S.39:4-50 as provided in section 1 of P.L.2003, c.164 (C.40:48-1.3);

Private Outdoor Video Surveillance Camera Registry. 35. Establish a private outdoor video surveillance camera registry and

allow voluntary registration of private outdoor video surveillance cameras as provided in P.L.2015, c.142 (C.40:48-1.6 et al.);

Municipal-wide ban on rental of residential space for accommodation of transient guests. 36. Prohibit the offering for rental, and the rental, of a residential unit, or any part thereof, by the owner or lessee of the residential unit, for a period of 30 consecutive days or less; but shall not include a seasonal rental as that term is defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

(cf: P.L.2015, c.142, s.3)

2. R.S.40:52-1 is amended to read as follows:

40:52-1. The governing body may make, amend, repeal and enforce ordinances to license and regulate:

a. All vehicles used for the transportation of passengers, baggage, merchandise, and goods and chattels of every kind, and the owners and drivers of all such vehicles; and the places and premises in which or at which the different kinds of business or occupations mentioned herein are carried on and conducted. Nothing herein contained shall be construed as modifying or repealing any of the provisions of chapter 4 of Title 48 of the Revised Statutes (R.S.48:4-1 et seq.);

b. Autobuses, and the owners and drivers of all such vehicles, and to fix the fees for such licenses, which may be imposed for revenue, and to prohibit the operation of all such vehicles in the public streets or places of such municipality, unless such ordinances are complied with, whether such vehicles are operated over routes wholly or partly within the territorial limits of such municipality; the powers conferred by this section shall not be in substitution of but in addition to whatever other right, power and authority any such municipality may at any time have as to licensing, regulating, or control of the operation of such autobuses, commonly called jitneys, and this section shall not be construed as modifying or repealing any of the provisions of chapter 4 (R.S.48:4-1 et seq.) or article 3 of chapter 16 (R.S.48:16-23 et seq.) of Title 48 of the Revised Statutes;

c. Cartmen, expressmen, baggagemen, porters, common criers, hawkers, peddlers, employment agencies, pawnbrokers, junk shop-keepers, junk dealers, motor vehicle junk dealers, street sprinklers, bill posters, bill tackers, sweeps, scavengers, itinerant vendors of merchandise, medicines and remedies; and the places and premises in which or at which the different kinds of business or occupations mentioned herein are conducted and carried on; provided, however, no ordinance regulating solicitation for services shall be applicable to solicitations, whether written or oral, for snow shoveling services made within 24 hours of a snowstorm that has been predicted by a

commonly recognized commercial or governmental weather reporting entity;

d. Hotels, boardinghouses, lodging and rooming houses, trailer camps and camp sites, motels, furnished and unfurnished rented housing or living units and all other places and buildings used for sleeping and lodging purposes, and the occupancy thereof, restaurants and all other eating places, and the keepers thereof;

e. Automobile garages, dealers in second-hand motor vehicles and parts thereof, bathhouses, swimming pools, and the keepers thereof;

f. Theatres, cinema and show houses, opera houses, concert halls, dance halls, pool or billiard parlors, bowling alleys, exhibition grounds, and all other places of public amusement, circuses and traveling or other shows, plays, dances, exhibitions, concerts, theatrical performances, and all street parades in connection therewith;

g. Lumber and coal yards, stores for the sale of meats, groceries and provisions, dry goods and merchandise, and goods and chattels of every kind, and all other kinds of business conducted in the municipality other than herein mentioned, and the places and premises in or at which the business is conducted and carried on; street stands for the sale or distribution of newspapers, magazines, periodicals, books, and goods and merchandise or other articles;

h. Street signs and other objects projecting beyond the building line, into or over any public street or highway;

i. Auctioneers and their business, whether the auctioneers be real estate brokers engaged in selling at auction or real estate auctioneers licensed by the New Jersey Real Estate Commission; fix their fees, and license and regulate public auctions; make such regulations as the governing body of the municipality shall deem necessary, to protect the public against fraud at public auction sales, and for the safety and protection of the property of the municipality and its inhabitants, including the power to require from auctioneers a bond to the municipality, not exceeding the penal sum of $5,000.00, conditioned as the governing body shall require;

j. Sales of goods, wares and merchandise to be advertised, held out or represented, or which are advertised, held out or represented, to the public, by any means, directly or by implication, as forced sales at reduced prices or as insurance, bankruptcy, mortgage foreclosure, insolvency, removal, loss or expiration of lease or closing out sales, or as assignees', receivers' or trustees' sales or as sales of goods distrained or as sales of goods damaged by fire, smoke or water, except any sale which is to be held under a judicial order, judgment or decree or a writ issuing out of any court or to enforce any lawful lien or power of sale whether by judicial process or not or by a licensed auctioneer; to make such regulations governing the advertisement, holding out or representing to the

public of such sales, and the conduct thereof, as the governing body of the municipality shall deem necessary to protect the public against fraud; to prohibit the advertising, holding out or representing to the public of any sale as being of the character above described which is not of such character and to fix license fees for the conduct of such sales and to impose penalties for the violation of any such ordinance;

k. (Deleted by amendment, P.L.1997, c.320.)

l. (Deleted by amendment, P.L.1984, c.205.)

m. The rental of real property for commercial purposes wherein the lease is for a term less than 175 consecutive days. No ordinance adopted pursuant to this subsection shall apply to any lease or occupancy which results from a tenant holding over at the expiration or early termination of a lease with an original term in excess of 175 consecutive days, regardless of whether the holdover is month-to-month or for some other term of less than 175 consecutive days; **[**and**]**

n. The rental of real property for a term less than 175 consecutive days for residential purposes by a person having a permanent place of residence elsewhere; and

o. The short-term rental of a residential unit, or any part thereof, by the owner or lessee, as appropriate, to a transient guest through a transient space marketplace for a period of 30 consecutive days or less, pursuant to the provisions of section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), but shall not include a seasonal rental as that term is defined in that section.

Nothing in this chapter contained shall be construed to authorize or empower the governing body of any municipality to license or regulate any person holding a license or certificate issued by any department, board, commission, or other agency of the State; provided, however, that the governing body of a municipality may make, amend, repeal and enforce ordinances to license and regulate real estate auctioneers or real estate brokers engaged in selling at auction and their business as provided in this section despite the fact that such real estate auctioneers or brokers may be licensed by the New Jersey Real Estate Commission and notwithstanding the provisions of this act or any other act.

(cf: P.L.2015, c.240, s.1)

3. (New section) a. As used in this section:

"Multiple dwelling" means a multiple dwelling subject to the requirements of the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.).

"Registered host" means an owner or lessee of a residential unit registered, pursuant to this section, to rent a residential unit or part thereof and to offer the unit or space for accommodation to the

public as a business activity through the placement of an advertisement, or the listing of the space for accommodation, with a transient space marketplace.

"Residential unit" means a house, condominium, or other residential dwelling unit in a building or structure or part of a building or structure, that is designed, constructed, leased, rented, let or hired out, or otherwise made available for use as a residence.

"Seasonal rental" means a "timeshare estate" as that term is defined by section 2 of P.L.2006, c.63 (C.45:15-16.51), or a dwelling unit rented for a term of not more than 125 consecutive days for residential purposes by a person having a permanent residence elsewhere.

"Space for accommodation" means a room, group of rooms, or other living or sleeping space within a residential unit that is designated for the overnight accommodation of a transient guest and for which the keys thereto are not kept by a real estate agent.

"Transient guest" means a person who, for consideration uses, possesses, or has the right to use or possess any space for accommodation for a period of 30 consecutive days or less under a lease, concession, permit, right of access, license to use, or other agreement.

"Transient space marketplace" means a digital platform through which a person offering space for accommodation to transient guests may offer the space for accommodation in exchange for monetary or other compensation. A "transient space marketplace" allows a person offering space for accommodation to advertise or list the space for accommodation through a hosted Internet website and provides a means for a transient guest to arrange for the use of the space for accommodation in exchange for monetary or other consideration.

b. (1) The governing body of a municipality, by ordinance, may regulate the rental of a residential unit, or part thereof, through a transient space marketplace, when a portion, or the entirety, of the residential unit is used or offered for use as a space for accommodation of a transient guest. A municipality regulating the rental of residential units pursuant to this section shall designate a municipal employee to oversee the registration program.

(2) A municipality regulating the rental of residential units pursuant to this section shall require each registered host to maintain, for not less than four years following the end of the calendar year in which each transaction occurred, the following data for those transactions consummated through a transient space marketplace:

(a) The name of the transient guest;

(b) The address, including the unit designation, of the space for accommodation;

(c) The dates and nightly rates for which the transient guest procured occupancy of the space for accommodation;

(d) The municipal transient accommodation registration number, if applicable;

(e) A statement as to whether the booking services are provided in connection with: (i) short-term rental of the entirety of the spaces for accommodation located within the residential unit; (ii) short-term rental of a part of the spaces for accommodation located within the residential unit, but not the entirety of the spaces for accommodation; or (iii) short-term rental of the entirety, or a part thereof, of the spaces for accommodation located within a residential unit, in which a non-short-term occupant continues to occupy the residential unit for the duration of the short-term rental;

(f) The individualized name or number of each advertisement or listing connected to the space for accommodation and the uniform resource locator (URL) for each listing or advertisement, where applicable; and

(g) Other information as the governing body of the municipality may require.

(3) The governing body of a municipality may prohibit the owner or lessee of a residential unit from offering the unit, or a part thereof, as a space for accommodation through a transient space marketplace for a period of 30 consecutive days or less.

c. (1) When a municipality regulates the rental of residential units pursuant to this section, an owner or lessee shall not offer a residential unit, or space for accommodation therein through a transient space marketplace unless the owner or lessee is registered by the municipality. A registered host may rent a portion of a residential unit to transient guests while the host is present for an unlimited number of days per year, and may rent the entire residential unit to transient guests while the host is not present for an unlimited number of days per year, unless the ordinance adopted by the municipality pursuant to subsection b. of this section limits the number of days per year that the entire residential unit may be rented while the host is not present.

(2) A notice shall be displayed prominently on the municipality's Internet website stating that owners or tenants seeking to offer their residential units for rent on a transient space marketplace are required to become registered hosts by registering with the municipality prior to listing a residential unit, or space for accommodation for rent on a transient space marketplace, and should review any restrictions on coverage under a homeowners' or renters' insurance policy related to transient space marketplace rental activities to ensure that there is appropriate insurance coverage in the event that a person sustains an injury or loss for which the owner or tenant may be responsible, a person damages or causes loss to personal or real property, or a claim or lawsuit is

made against the owner or tenant or otherwise arises out of transient space marketplace rental activities.

The municipality shall make available a list to any public safety agency, as defined in section 1 of P.L.1989, c.3 (C.52:17C-1), of each registered host and the address of every residential unit owned or leased by each registered host that is offered for rent on a transient space marketplace located within the jurisdiction of the public safety agency and a telephone number at which the registered host can be reached in case of an emergency. The list shall be updated by the municipality at least once every business day and shall be accessible to any public safety agency 24 hours per day. In the event that a public safety agency is called to a residential unit that appears on the list and the registered host is not present at the time, the public safety agency shall immediately notify the registered host using the emergency contact telephone number provided to the municipality by the registered host.

(3) Registration as a registered host shall be for a duration of one year, and the fee for the registration shall be not more than $250, as determined by the governing body of the municipality, of which half of the proceeds shall be retained by the municipality, and half shall be deposited into the "New Jersey Affordable Housing Trust Fund," established pursuant to section 20 of P.L.1985, c.222 (C.52:27D-320).

(4) An ordinance adopted pursuant to this section shall establish conditions in order to conduct a short-term residential rental pursuant to this section, which shall include the following:

(a) the registered host shall be the owner or lessee of the residential unit that the registered host offers for rent on a transient space marketplace;

(b) the municipality may limit the number of residential units within a multiple dwelling or other building that a registered host may offer for rent on a transient space marketplace;

(c) the registered host's residential unit shall not have any outstanding planning, building, housing, fire, health, or other applicable municipal code violations;

(d) a lessee seeking to become a registered host shall have a valid lease for the residential unit at the time the lessee submits an application to the municipality to become a registered host; and

(e) the registration form shall require an affirmative acknowledgement by the registered host that the host has read the notice on the municipality's Internet website to review any restrictions on coverage under any homeowners' or renters' insurance policy related to transient space marketplace rental activities.

(5) The registration of a registered host's primary residence shall not supersede any lease agreements, homeowners' association bylaws, covenants, conditions and restrictions, or any other

agreement, law, or regulation that prohibits the subletting or use of that residential unit as a space for accommodation.

d. A person offering a space for accommodation on a transient space marketplace, who has not become a registered host pursuant to this section, shall be subject to a penalty for each day that the space for accommodation is offered for rental, payable to the municipal code official for support of code enforcement activities. The amount of the penalty shall be determined by the governing body of the municipality.

e. The provisions of this section shall not apply to a seasonal rental.

f. The Commissioner of Community Affairs, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall promulgate such rules and regulations as may be required to effectuate the provisions of this act.

4. The governing body of a municipality that, prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), has adopted an ordinance regulating the rental of a residential unit, or part thereof, through a transient space marketplace for use as a space for accommodation of transient guests, shall not be required to meet any of the requirements of section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

5. This act shall take effect immediately.

STATEMENT

This bill would permit municipalities to regulate the short-term rental by the owner or lessee of a residential unit to a transient guest through a transient space marketplace, such as Airbnb. The bill would also permit the governing body of a municipality, by ordinance, to prohibit the owner of a property, which is the owner's primary residence, from offering it as space for accommodation for a period of 30 days or less through a transient space marketplace.

The provisions of the bill do not apply to seasonal rentals.

Under the bill, an owner or tenant shall not offer their residential property as a short-term residential rental through a transient space marketplace until the owner has applied for and received a short-term residential rental registration number from the municipality, thereby becoming a "registered host." A registered host may rent a portion of their residential unit while they are also present in the unit for an unlimited number of days per year, and may rent their entire residential unit while they are not present for an unlimited number of days per year, unless an ordinance adopted to regulate

the rental of a residential unit through a transient space marketplace limits the number of days per year that the entire unit may be rented while the host is not present.

An ordinance adopted pursuant to the bill would be required to establish conditions in order to conduct a short-term residential rental, including the following:

- The registered host shall be the owner or lessee of the residential unit that the registered host offers for rent on a transient space marketplace;
- The registered host's residential unit shall not have any outstanding planning, building, housing, fire, health, or other applicable municipal code violations;
- A lessee seeking to become a registered host shall have a valid lease for the residential unit at the time the lessee submits an application to become a registered host to the municipality;
- The municipality may limit the number of residential units within a multiple dwelling or other building that a registered host may offer for rent on a transient space marketplace; and
- The registration form shall require an affirmative acknowledgment by the registered host that the host has read the notice on the municipality's website to review any restrictions on coverage under any homeowner's or renter's insource policy related to transient space marketplace rental activities.

The registration of a registered host's primary residence shall not supersede any lease agreements, homeowners' association bylaws, covenants, conditions and restrictions, or any other agreement, law, or regulation that prohibits the subletting or use of that residential unit as a space for accommodation.

A person offering a space for accommodation on a transient space marketplace, who has not become a registered host, will be subject to a penalty for each day that the space for accommodation is offered for rental, payable to the municipal code official for support of code enforcement activities. The amount of the penalty shall be set by municipal ordinance.

The bill requires a municipality regulating the rental of residential units under the bill to require each registered host to maintain, for not less than four years the following data for transactions consummated through a transient space marketplace:

(a) the name of the transient guest;

(b) the address, including the unit designation, of the space for accommodation;

(c) the dates and nightly rates for which the transient guest procured occupancy of the space for accommodation;

(d) the municipal transient accommodation registration number, if applicable;

(e) a statement as to whether the booking services are provided in connection with: (i) short-term rental of the entirety of the spaces for accommodation located within the residential unit; (ii) short-term rental of a part of the spaces for accommodation located within the residential unit, but not the entirety of the spaces for accommodation; or (iii) short-term rental of the entirety, or a part thereof, of the spaces for accommodation located within a residential unit, in which a non-short-term occupant continues to occupy the residential unit for the duration of the short-term rental;

(f) the individualized name or number of each advertisement or listing connected to the space for accommodation and the uniform resource locator (URL) for each listing or advertisement, where applicable; and

(g) other information as the governing body of the municipality may require.

A municipality will make available to any public safety agency a list of each registered host, the address of each residential unit owned or leased by each registered host that is offered for rent on a transient space marketplace, and a telephone number for the registered host.

The bill exempts from the provisions of section 3 of the bill any municipality that, prior to the effective date of the bill, adopted an ordinance regulating the rental of a residential unit through a transient space marketplace.