



Legislation Text

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A Local Law to amend the administrative code of the city of New York, in relation to requiring registration for short-term rentals

Be it enacted by the Council as follows:

Section 1. Title 26 of the administrative code of the city of New York is amended by adding a new chapter 31 to read as follows:

CHAPTER 31

REGISTRATION REQUIREMENTS FOR SHORT-TERM RENTALS

§ 26-3101 Definitions. As used in this chapter:

Administering agency. The term “administering agency” means the office of special enforcement, as established under executive order number 96 for the year 2006, or such other agency as the mayor may designate by executive order.

Booking service. The term “booking service” has the meaning ascribed to such term by section 26-2101, as added by local law number 146 for the year 2018.

Class A multiple dwelling. The term “class A multiple dwelling” has the meaning ascribed to such term by the housing maintenance code, except that for the purposes of this chapter the term class A multiple dwelling shall also be deemed to include an “interim multiple dwelling” as defined in section 281 of the multiple dwelling law.

Class B multiple dwelling. The term “class B multiple dwelling” has the meaning ascribed to such term

by subchapter 1 of the housing maintenance code.

Dwelling unit. The term “dwelling unit” has the meaning ascribed to such term by subchapter 1 of the housing maintenance code.

Listing. The term “listing” means an advertisement on a booking service that offers a short-term rental.

Registered host or host. The term “registered host” or "host" means a natural person who is a permanent occupant of a dwelling unit registered in accordance with this chapter.

Private dwelling. The term “private dwelling” has the meaning ascribed to such term by subchapter 1 of the housing maintenance code.

Rooming unit. The term “rooming unit” has the meaning ascribed to such term by subchapter 1 of the housing maintenance code.

Short-term rental. The term "short-term rental" means a rental for fewer than 30 consecutive days of a dwelling unit within a private dwelling or class A multiple dwelling, or in the case of a mixed use building, a rental of a class A dwelling unit therein for fewer than 30 consecutive days.

§ 26-3102 Short-term rental registration. a. It shall be unlawful for a person who owns, manages, occupies or otherwise controls a dwelling unit to offer, manage or administer the short-term rental of such dwelling unit unless such dwelling unit is registered in accordance with this chapter, such dwelling unit has been issued a unique short-term rental registration number, and such registration is currently valid. It shall be unlawful for a person who owns, manages, occupies or otherwise controls a dwelling unit to falsely represent or falsely advertise a dwelling unit as registered for short-term rental pursuant to this chapter when such dwelling unit is not so registered. This chapter does not apply to the short-term rental of class B multiple dwellings or class B dwelling units within mixed use buildings.

b. The form and manner of applying for a short-term rental registration or renewal thereof shall be established by rules of the administering agency.

c. No short-term rental registration shall be issued unless:

1. The applicant is a natural person who is a permanent occupant of the dwelling unit and is either: (i) the owner of such dwelling unit, or (ii) a tenant of such dwelling unit who certifies in a form and manner to be specified by the administering agency that they are not prohibited by the terms of a lease or other agreement from applying for a short-term rental registration for such dwelling unit and from subsequently acting as a host for short-term rentals within such dwelling unit;

2. The applicant has described, in a form acceptable to the administering agency, any parts of the premises containing such unit or accommodation that a person occupying a short-term rental at such unit or accommodation will be allowed to occupy or use;

3. The applicant certifies in a form and manner to be specified by the administering agency that they understand and agree to comply with provisions of the zoning resolution, multiple dwelling law, housing maintenance code and New York city construction codes relating to the short-term rental of dwelling units in private dwellings and class A multiple dwellings, or in class A dwelling units within mixed use buildings;

4. The administering agency has determined that, in accordance with the records of the department of buildings, the department of housing preservation and development and the fire department, there are no uncorrected violations of the New York city construction codes, the housing maintenance code or the fire code that would endanger occupants of such dwelling unit;

5. The administering agency has verified the occupancy classification of the building, or with respect to a mixed use building, the occupancy classification of the dwelling unit to be occupied as a short-term rental;

6. The administering agency has verified that the building does not appear on the prohibited buildings list published pursuant to this section;

7. Where the applicant uses a booking service, the applicant has provided the uniform resource locator or listing identifier and the associated booking service name for all existing listings of the dwelling unit and agrees that any listing of such dwelling unit with a booking service shall be reported to the administering

agency prior to such listing being used to make an agreement for a short-term rental; and

8. The applicant has paid an application or renewal fee in an amount to be established by rule by the administering agency.

d. No registration shall be issued for the short-term rental of a dwelling unit the rent of which is regulated in accordance with the emergency tenant protection act of 1974, the rent stabilization law of 1969, the local emergency housing rent control act of 1962, sections four hundred twenty-one-a or four hundred eighty-nine of the real property tax law, in a housing development organized pursuant to article two of the private housing finance law and supervised by the department of housing preservation and development, or any other law or rule or an agreement with a governmental entity.

e. No short-term rental registration shall be issued for a dwelling unit in a New York city housing authority development.

f. No short-term rental registration shall be issued for a rooming unit.

g. Issuance of a registration for a dwelling unit pursuant to this chapter shall not be construed as permission for or approval of the use of such dwelling unit for any occupancy that would be in violation of a lease, cooperative bylaws, condominium association rules and regulations, the multiple dwelling law, the zoning resolution, the New York city construction codes, the housing maintenance code or any other applicable rules, regulations, or laws.

h. A short-term rental registration or renewal thereof shall be valid for a period established by the administering agency, but not to exceed the demonstrated right of occupancy by the applicant.

i. A short-term rental registration or renewal thereof is not transferable.

j. If the information provided by an applicant in connection with an application for a short-term rental registration or renewal thereof changes before the expiration of such registration or renewal thereof, such applicant shall submit such changes to the administering agency in a time, form and manner established by the administering agency.

k. Upon receipt of a complete initial application, the administering agency shall notify the owner of record of the dwelling unit and of the building, informing the owners that an application for a short-term rental registration has been received.

l. The administering agency shall create and maintain a prohibited buildings list of all addresses whose owner, including any applicable board of a cooperative or condominium corporation or their managers and agents, has notified the agency in a form and manner to be specified by the administering agency that no short-term rental of any dwelling unit therein is permitted. The administering agency shall adopt rules with respect to applications for inclusion on the prohibited buildings list, including, but not limited to, rules requiring building owners to certify that leases and other occupancy agreements for dwelling units within the building prohibit short-term rentals and rules relating to removing buildings from the prohibited building list. Where all dwelling units in a building are prohibited pursuant to subsection (d) of this section, such buildings shall also be included on the prohibited building list. The administering agency shall publish the prohibited buildings list on the city open data web portal.

m. The administering agency shall as soon as practicable, for each booking service disclosed by the registrant as having a listing for the registered dwelling unit, notify such booking service of any revocation of a short-term rental registration.

§ 26-3103 Posting and advertising requirements. a. A registered host of a dwelling unit shall, in a form and manner established by the administering agency, conspicuously post and maintain within such dwelling unit, during each short-term rental thereof: (i) a diagram indicating normal and emergency egress routes from such unit and the building containing such unit, and (ii) a copy of the short-term rental registration certificate for such unit which shall include the registration number along with a number to call in the event of an emergency.

b. A registered host shall include in any advertisement or other offer for the short-term rental of a dwelling unit the short-term registration number for such unit.

c. A registered host shall maintain, for at least seven years after such short-term rental, a record of each such short-term rental in a manner established by the administering agency and containing such information as the administering agency shall prescribe. Such records shall be provided to the administering agency in accordance with the rules of such agency and applicable law.

§ 26-3104 Penalties and enforcement. a. Any person who violates subdivision a of section 26-3102 shall be liable for a civil penalty of not more than the lesser of \$5000 or three times the revenue generated by the short-term rental for each such violation.

b. Any registered host who violates the provisions of this chapter or rules of the administering agency promulgated pursuant to this chapter shall be liable for a civil penalty of not more than \$5000 for each such violation.

c. Any person who makes a material false statement or conceals a material fact in connection with the filing of an application or renewal thereof pursuant to this chapter shall be liable for a civil penalty of not more than \$1000 for each such violation, in addition to revocation pursuant to the provisions of this section.

d. The registration of a dwelling unit shall be revoked, after notice and opportunity to be heard, where:

1. Such dwelling unit has been used in violation of restrictions in the zoning resolution, multiple dwelling law, housing maintenance code and New York city construction codes relating to the short-term rental of dwelling units in private dwellings and class A multiple dwellings, or in class A dwelling units within mixed use buildings;

2. The applicant made a material false statement or concealed a material fact in connection with the filing of an application or renewal thereof pursuant to this chapter;

3. The registered host has committed three or more violations of this chapter or rules of the administering agency within a period of 24 months;

4. The dwelling unit was added to the prohibited building list after the registration had been approved;

or

5. The administering agency, subsequent to issuing the registration, discovers information that would have precluded the administering agency from granting the registration had it been known at the time.

e. Civil penalties for violations of this chapter and rules of the administering agency promulgated pursuant to this chapter may be recovered in proceedings before an administrative tribunal within the jurisdiction of the office of administrative trials and hearings in accordance with the rules of such tribunal or in an action in a court of competent jurisdiction. Notices of violation, administrative summonses and appearance tickets for violations may be issued by officers and employees of the administering agency or other city agencies designated by such administering agency.

f. The administering agency shall be authorized to conduct investigations, to issue subpoenas, to receive evidence, to hear complaints regarding activities subject to this section, to hold public hearings, to take testimony and to promulgate, amend and modify procedures and practices governing such proceedings.

§ 26-3105 Reporting. a. The administering agency shall make the following information on each short-term rental registration available on the city open data web portal in as close to real time as practicable:

1. registration number;
2. uniform resource locators associated with such registration;
3. address and unit number of the dwelling unit, including latitude and longitude;
4. status of the registration, including active or revoked; and
5. expiration date of registration.

b. No later than September 1 of each year, the administering agency shall submit a report to the mayor and to the speaker of the city council and post on the administering agency's website, a report including, but not limited to, the following information for the twelve-month period ending the preceding June 30, disaggregated by council district:

1. the number of active registrations;
2. the number of short-term registration applications and renewals: applied for, granted, refused,

revoked and pending;

3. the average time to process registration applications and renewals;

4. a summary of the reasons for applications or renewals to be refused or revoked;

5. total number and reasons for summonses issued;

6. total penalties imposed and collected.

c. The administering agency shall provide a website page where members of the public may submit a registration number or uniform resource locator that will return associated information provided in paragraph (a) and instructions on how to file a complaint related to unregistered activity.

§ 2. Title 26 of the administrative code of the city of New York is amended by adding a new chapter 32 to read as follows:

## CHAPTER 32

### REQUIREMENTS FOR BOOKING SERVICES WITH RESPECT TO SHORT-TERM RENTALS

§ 26-3201 Definitions. As used in this chapter:

Administering agency. The term “administering agency” means the office of special enforcement, as established under executive order number 96 for the year 2006, or such other agency as the mayor may designate by executive order.

Application program interface. The term “application program interface” means a software intermediary that makes it possible for application programs to interact with each other and share data or successor technologies.

Class B multiple dwelling. The term class B multiple dwelling has the meaning ascribed to such term by subchapter 1 of the housing maintenance code.

Booking service. The term “booking service” has the meaning ascribed to such term by section 26-2101, as added by local law number 146 for the year 2018.

Directly or indirectly. The term “directly or indirectly” has the meaning ascribed to such term by section

26-2101.

Dwelling unit. The term “dwelling unit” has the meaning ascribed to such term by subchapter 1 of the housing maintenance code.

Electronic verification system. The term “electronic verification system” means an application program interface created and maintained by the administering agency that a booking service may use to: (i) verify whether the housing accommodation or dwelling unit that is the subject of a short-term rental is included on the list of class B multiple dwellings published pursuant to section 26-2103, as added by local law number 146 for the year 2018; or (ii) verify that the dwelling unit or housing accommodation that is the subject of such short-term rental has a currently valid short-term rental registration number, and that the full legal name of the host and the physical address of the dwelling unit associated with such short-term rental match the host and physical address information associated with such registration number, and that the uniform resource locator or listing identifier being used to offer the short term rental is associated with the currently valid short-term rental registration number; and (iii) obtain a unique confirmation number reflecting that such verification has occurred.

Listing. The term “listing” means an advertisement on a booking service that offers a short-term rental.

Short-term rental. The term "short-term rental" has the meaning ascribed to such term in section 26-2101, as added by local law number 146 for the year 2018.

Short-term rental registration number. The term “short-term rental registration number” means a registration number issued in accordance with the registration of a dwelling unit pursuant to chapter 31 of this title.

§ 26-3202 Verification of lawful rental. a. It shall be unlawful for a booking service to charge, collect or receive a fee from a person in connection with a short-term rental of a dwelling unit or housing accommodation unless such booking service has used the electronic verification system maintained by the administering agency either to (i) verify that such short-term rental is for a dwelling unit or housing accommodation within a class B

multiple dwelling on the list of class B multiple dwellings published pursuant to section 26-2103, as added by local law number 146 for the year 2018; or (ii) to verify that the dwelling unit or housing accommodation that is the subject of such short-term rental is associated with the short-term rental registration number submitted by such person to the booking service and such registration is currently valid, that the uniform resource locator or listing identifier being used to offer the short-term rental is associated with the short-term rental registration number, and that the host and physical address information provided by such person to the booking service match the information contained in the electronic verification system, including, but not limited to, the full legal name of the host and the full physical address of the dwelling unit or housing accommodation. The electronic verification system shall provide a unique confirmation number reflecting that such verification has occurred. A booking service shall reconfirm the active registration of a dwelling unit any time it knows or should have known that any data it used to complete the verification in this section has changed, and the administering agency may establish by rule a minimum reverification period.

b. A booking service shall report to the administering agency on a monthly basis in a manner and form established by the administering agency for each transaction relating to a short-term rental: the booking services public uniform resource locator for the listing or other identifier, and the unique confirmation number obtained from the electronic verification. Upon submission of such report, a booking service shall certify that the verification required by subdivision a of this section has occurred for each transaction in the report.

c. Electronic verification system fee. There shall be a fee for the use of the electronic verification system in an amount to be established by rule by the administering agency. Such fee shall not exceed the cost to build, operate, and maintain such system.

§ 26-3203 Penalties. a. For each transaction in which a booking service charges, collects or receives a fee, directly or indirectly, for activity described in the definition of booking service in relation to a short-term rental in violation of subdivision a of section 26-3202, such booking service shall be liable for a civil penalty of not more than \$1,500; provided that if such booking service can establish the amount of such fee, such civil

penalty shall be not more than three times such fee.

b. If a booking service fails to provide information in compliance with subdivision b of section 26-3202, such booking service shall be liable for a civil penalty to be assessed once per reporting period for each transaction the booking service has failed to report. The civil penalty shall not be more than the greater of \$1,500 or the total fees collected during the preceding year by the booking service for transactions related to the registration number or uniform resource locator.

c. Civil penalties for violations of this chapter and rules of the administering agency promulgated pursuant to this chapter may be recovered in proceedings before an administrative tribunal within the jurisdiction of the office of administrative trials and hearings in accordance with the rules of such tribunal or in an action in a court of competent jurisdiction. Notices of violation, administrative summonses and appearance tickets for violations may be issued by officers and employees of the administering agency or other city agencies designated by such administering agency.

d. The administering agency shall be authorized to conduct investigations, to issue subpoenas, to receive evidence, to hear complaints regarding activities subject to this section, to hold public hearings, to take testimony and to promulgate, amend and modify procedures and practices governing such proceedings.

§ 3. This local law takes effect 12 months after it becomes law, except that section 26-3104 of the administrative code of the city of New York, as added by section one of this local law, and section 26-3203 of the administrative code of the city of New York, as added by section two of this local law, take effect 16 months after it becomes law, and the administering agency shall take such actions as are necessary for its implementation, including the promulgation of rules, before such dates.

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