



LEGISLATIVE SUMMARY

To: All Councilmembers of the Anne Arundel County Council

From: Linda M. Schuett, Legislative Counsel

Date: November 18, 2019

Subject: Bill No. 89-19

This bill regulates short-term residential rentals, defined as the use or occupancy, in exchange for a fee, of all or part of a dwelling unit to provide accommodations to transient guests for no more than 120 consecutive days. The bill does not apply to rentals that are longer than 120 days.

THE HOST

A “host” is the owner of a dwelling unit who provides all or part of the unit, in exchange for a fee, for short-term residential rental use. The bill sets forth various requirements and prohibitions with respect to the host of a short-term residential rental. These are:

- The host may not rent a dwelling unit to a transient guest without having obtained an approved registration from the Department of Inspections and Permits.
- The host may not register more than two dwellings units as short-term residential rentals.
- The host must be an individual and may not be a business entity.
- The term of the rental must be for at least 24 hours.
- The host must be current on all taxes, fines, and fees owed to the County.
- The host must provide to the Department the names of all hosting platforms being used and update the list within ten days of any changes.

- The host must provide to the hosting platform the registration number and a phone number to verify approval of the registration.
- The host must ensure that a hosting platform includes the host's registration number on all listings.
- The host must post a sign in the dwelling which states that the dwelling is registered and which provides the registration number.
- For an un-hosted rental, meaning one in which the host does not occupy the dwelling during the transient guest's stay, the host must provide to the transient guest the name and emergency telephone number of a person available to provide prompt assistance.

REGISTRATION

To register, the host files an application for registration and pays the fee. The form of the application must include certain designated information.

Each registration has a two-year term. A host who wishes to renew must file the application to renew and pay the fee within at least 30 days before the existing registration expires. The fee for each application is \$400. Registrations are not assignable and do not transfer upon a sale of the property.

The Department may deny, suspend, or revoke a registration for failure to comply with the provisions of this Subtitle, failure to comply with zoning requirements, false statements in the application; or failure to pay outstanding taxes, fines, and fees owed to the County. The Department must first provide the host with an opportunity to provide reasons why the denial, suspension, or revocation is inappropriate.

HOSTING PLATFORMS

The bill sets forth various requirements and prohibitions with respect to hosting platforms, defined as internet-based entities that, in exchange for a fee, facilitate reservations and booking transactions of short-term residential rentals. The requirements and prohibitions are:

- The hosting platform may not facilitate the booking of a short-term rental without first verifying the existence of a valid and current registration, though certain exceptions are set forth with respect to re-verifying this information.
- The hosting platform must include the host's registration number with all advertisements, listings, and posts for the rental.

- The hosting platform must remove all advertising within 10 days if the hosting platform learns from any source that the registration has been suspended or revoked.
- The hosting platform may not collect fees if the dwelling unit cannot lawfully be used as a short-term residential rental.
- The hosting platform must keep records relating to short-term residential rentals for three years and these records must include the name and address of the host, the street address of the dwelling, the date of the booking transaction, the start and end date of the rental, and all rent and fees charged by the host and the hosting platform. The hosting platform must make certain of these records available to the County upon request.
- The hosting platform must collect from the host and remit to the County the occupancy tax required by Section 4-6-105 of the Code.

ENFORCEMENT

For a violation of any provision in this Subtitle, the County may pursue all remedies provided by law and, in addition, may pursue the violation as a Class C civil offense as provided in Section 9-2-201 of the Code.

ZONING

The zoning provisions in this bill apply to short-term residential rentals but do not apply to a hotel, bed and breakfast home, bed and breakfast inn, or a rooming house. The zoning requirements are:

- The host must be registered.
- The rental may not create a use that is prohibited in the zoning district in which the dwelling is located.