

## COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2019, Legislative Day No. 40

Bill No. 89-19

# Introduced by Ms. Rodvien

By the County Council, November 18, 2019

Introduced and first read on November 18, 2019
Public Hearing set for and held on December 16, 2019
Bill AMENDED on January 21, 2020
Public Hearing on AMENDED bill set for and held on February 3, 2020
Public Hearing on SECOND AMENDED bill set for and held on February 18, 2020
Bill Expires February 21, 2020

By Order: JoAnne Gray, Administrative Officer

#### A BILL ENTITLED

1	AN ORDINANCE concerning: Licenses and Registrations – Zoning – Short-term
2	Residential Rentals
3	
4	FOR the purpose of establishing registration requirements for the short-term rental of
5	residential dwellings units; defining certain terms; adding duties applicable to owners
6	of short-term rentals; adding requirements for internet-based hosting platforms;
7	allowing for the enforcement of short-term residential rental provisions; adding zoning
8	requirements for short-term residential rentals; and generally relating to licenses and
9	registrations and zoning.
10	
11	BY adding: §§ 11-13A-101 through 11-13A-104 to be under the new title "Title 13A.
12	Short-term Residential Rentals"; and 18-12-601 through 18-12-602 to be under the new
13	subtitle "Subtitle 6. Short-term Residential Rentals"
14	Anne Arundel County Code (2005, as amended)
15	
16	SECTION 1. Be it enacted by the County Council of Anne Arundel County, Maryland,
17	That Section(s) of the Anne Arundel County Code (2005, as amended) read as follows:
18	
19	ARTICLE 11. LICENSES AND REGISTRATIONS
20	
21	TITLE 13A. SHORT-TERM RESIDENTIAL RENTALS

**EXPLANATION:** 

CAPITALS indicate new matter added to existing law.

[[Brackets]] indicate matter deleted from existing law. Captions and taglines in **bold** in this bill are catchwords and are not law.

<u>Underlining</u> indicates matter added to bill by amendment. <del>Strikeover</del> indicates matter removed from bill by amendment. 1 2

### 11-13A-101. Definitions.

IN THIS TITLE, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:

(1) "BOOKING TRANSACTION" MEANS A RESERVATION TRANSACTION BETWEEN A HOST AND A PROSPECTIVE TRANSIENT GUEST FOR A SHORT-TERM RESIDENTIAL RENTAL.

(2) "DWELLING UNIT" HAS THE MEANING STATED IN § 18-1-101 OF THIS CODE, EXCEPT THAT THE TERM DOES NOT INCLUDE A BOAT THAT IS OR COULD BE USED AS A DWELLING UNIT.

(3) "HOST" MEANS THE OWNER OF A DWELLING UNIT WHO, IN EXCHANGE FOR A FEE RENT, PROVIDES ALL OR PART OF THE DWELLING UNIT FOR SHORT-TERM RESIDENTIAL RENTAL USE.

(4) "HOSTING PLATFORM" MEANS AN INTERNET-BASED ENTITY THAT, IN EXCHANGE FOR A FEE RENT, FACILITATES RESERVATIONS AND BOOKING TRANSACTIONS OF SHORT-TERM RESIDENTIAL RENTALS.

(5) (1) "RENT" MEANS THE CONSIDERATION PAID FOR THE USE OR OCCUPANCY OF A SHORT-TERM RENTAL IN THE COUNTY.

 (II) "RENT" INCLUDES BOTH THE "NET RENT" AND THE "ADDITIONAL RENT" WHEN THE USE OR OCCUPANCY OF A SHORT-TERM RENTAL IS RESERVED, BOOKED, BROKERED, OR OTHERWISE ARRANGED FOR BY A REMARKETER AND THE FULL AMOUNT OF THE RENT IS NOT PAID BY THE OCCUPANT DIRECTLY TO THE OWNER OR OPERATOR.

(III) "RENT" INCLUDES CHARGES FOR SERVICES AND BOOKING FEES THAT ARE A CONDITION OF USE OR OCCUPANCY AND ANY AMOUNT FOR WHICH CREDIT IS ALLOWED BY THE OWNER OR OPERATOR OR REMARKETER TO THE OCCUPANT.

(IV) "RENT" DOES NOT INCLUDE CHARGES FOR OPTIONAL SERVICES PROVIDED BY THE OWNER OR OPERATOR OF A SHORT-TERM RENTAL TO THE OCCUPANT THAT ARE IN ADDITION TO THE CHARGE FOR USE OR OCCUPANCY AND THAT ARE SET FORTH SEPARATELY ON THE BILL PRESENTED TO THE OCCUPANT.

(5) (6) "SHORT-TERM RESIDENTIAL RENTAL" MEANS THE USE OR OCCUPANCY, FACILITATED BY A HOSTING PLATFORM IN EXCHANGE FOR A FEE RENT, OF ALL OR PART OF A DWELLING UNIT TO PROVIDE ACCOMMODATIONS TO TRANSIENT GUESTS FOR NO MORE THAN 120 CONSECUTIVE DAYS IN A CALENDAR YEAR.

(6) (7) "TRANSIENT GUEST" MEANS A PERSON WHO PAYS A FEE RENT TO OCCUPY OR HAVE THE RIGHT TO OCCUPY ALL OR PART OF A DWELLING UNIT.

 $\ensuremath{(7)}$  (8) "UNHOSTED RENTAL" MEANS A SHORT-TERM RESIDENTIAL RENTAL UNDER WHICH THE HOST DOES NOT OCCUPY THE DWELLING UNIT DURING THE TRANSIENT GUEST'S STAY.

11-13A-102. Hosts.

### (A) Requirements and prohibitions.

(1) A HOST MAY NOT ENTER INTO A SHORT-TERM RESIDENTIAL RENTAL AGREEMENT WITH A TRANSIENT GUEST OR RENT A DWELLING UNIT TO A TRANSIENT GUEST WITHOUT FIRST OBTAINING AN APPROVED REGISTRATION FROM THE DEPARTMENT.

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- (2) A HOST MAY NOT REGISTER MORE THAN TWO DWELLING UNITS AS SHORT-TERM RESIDENTIAL RENTALS.
- (3) THE HOST MUST BE AN INDIVIDUAL AND MAY NOT BE A CORPORATION, PARTNERSHIP, LIMITED LIMITED LIMITED LIMITED LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, OR OTHER BUSINESS ENTITY.
- (3) A HOST MAY BE AN INDIVIDUAL, CORPORATION, PARTNERSHIP, LIMITED PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, OR OTHER BUSINESS ENTITY, BUT A DWELLING UNIT REGISTERED BY ANY HOST COUNTS AS A REGISTRATION BY ANY INDIVIDUAL OR OTHER BUSINESS ENTITY WITH AN OWNERSHIP OR FINANCIAL INTEREST IN THE HOST.
- (4) THE RENTAL PERIOD FOR A SHORT-TERM RESIDENTIAL RENTAL SHALL BE NO LESS THAN 24 HOURS.
- (5) A HOST MAY NOT ENTER INTO A SHORT-TERM RESIDENTIAL RENTAL AGREEMENT WITH A TRANSIENT GUEST OR RENT A DWELLING UNIT TO A TRANSIENT GUEST, IF OVERDUE TAXES, FINES, OR FEES ARE OWED TO THE COUNTY.
- (6) THE HOST SHALL PROVIDE TO THE DEPARTMENT THE NAMES OF ALL HOSTING PLATFORMS TO BE USED IN CONNECTION WITH A SHORT-TERM RESIDENTIAL RENTAL AND SHALL UPDATE THE LIST WITHIN TEN DAYS AFTER ANY ADDITIONS OR DELETIONS.
- (7) A HOST SHALL PROVIDE HOSTING PLATFORMS WITH THE REGISTRATION NUMBER ISSUED BY THE DEPARTMENT FOR THE DWELLING UNIT AND A PHONE NUMBER TO VERIFY APPROVAL OF THE REGISTRATION.
- (8) A HOST SHALL ENSURE THAT A HOSTING PLATFORM INCLUDES THE REGISTRATION NUMBER IN AN ADVERTISEMENT, LISTING, OR POST FOR THE SHORT-TERM RESIDENTIAL RENTAL.
- (9) THE HOST SHALL PROMINENTLY DISPLAY A SIGN WITHIN THE DWELLING UNIT STATING THAT THE DWELLING UNIT IS REGISTERED BY THE DEPARTMENT FOR SHORT-TERM RESIDENTIAL RENTALS AND PROVIDING THE REGISTRATION NUMBER.
- (10) FOR AN UNHOSTED RENTAL, THE HOST SHALL PROVIDE TO THE TRANSIENT GUEST THE NAME OF A PERSON WHO IS AVAILABLE FOR THE TERM OF THE RENTAL AND A 24-HOUR EMERGENCY TELEPHONE NUMBER FOR PROMPT ASSISTANCE.
- (11) A HOST SHALL KEEP RECORDS RELATING TO ALL SHORT-TERM RESIDENTIAL RENTALS FOR A PERIOD OF AT LEAST THREE YEARS AND, UPON WRITTEN REQUEST FROM THE COUNTY, SHALL PROVIDE THE RECORDS FOR INSPECTION TO THE COUNTY.
- (B) **Application**. A HOST SHALL FILE AN APPLICATION FOR REGISTRATION ON A FORM PROVIDED BY THE DEPARTMENT AND SHALL PAY THE APPLICABLE FEE. THE REGISTRATION FORM SHALL INCLUDE, AT A MINIMUM:
- (1) THE NAME, MAILING ADDRESS, EMAIL ADDRESS, AND PHONE NUMBER(S) OF THE HOST AND OF ALL PERSONS WITH AN OWNERSHIP OR FINANCIAL INTEREST IN THE HOST;
- (2) THE ADDRESS OF THE DWELLING UNIT; A UNIT NUMBER, IF APPLICABLE; THE NUMBER OF BEDROOMS AND BATHROOMS IN THE DWELLING UNIT; AND THE NUMBER OF AVAILABLE ON-SITE PARKING SPACES; AND
  - (3) THE HOST'S STATE SALE TAX AND USE REGISTRATION NUMBER.

RENTAL: AND

1 (3) THE HOST'S PROOF OF INSURANCE FOR THE SHORT-TERM RESIDENTIAL

(4) THE HOST'S CERTIFICATION UNDER OATH THAT THE SHORT-TERM RESIDENTIAL RENTAL PROPERTY MEETS THE MINIMUM SAFETY CRITERIA SET FORTH IN THE REGISTRATION FORM.

(C) **Term; renewal.** EACH REGISTRATION HAS A TWO-YEAR TERM. THE HOST MAY SEEK TO RENEW THE REGISTRATION BY FILING AN APPLICATION WITH THE DEPARTMENT, TOGETHER WITH THE APPLICABLE FEE, AT LEAST 30 DAYS BEFORE THE EXISTING REGISTRATION EXPIRES.

(D) **Fees.** THE FEE FOR THE REGISTRATION OR RENEWAL OF A SHORT-TERM RESIDENTIAL RENTAL IS \$400.00.

### (E) Denial; suspension; revocation.

 (1) **Notice and an opportunity to be heard.** THE DEPARTMENT SHALL GIVE A HOST AT LEAST 10 DAYS' ADVANCE NOTICE OF AN INTENTION TO DENY, SUSPEND, OR REVOKE A REGISTRATION AND GIVE THE HOST AN OPPORTUNITY WITHIN THE NOTICE PERIOD TO STATE WHY THE REGISTRATION SHOULD NOT BE DENIED, SUSPENDED, OR REVOKED.

 (2) **Action by the Department.** AFTER CONSIDERATION OF THE HOST'S COMMENTS, THE DEPARTMENT MAY DENY, SUSPEND, OR REVOKE A SHORT-TERM RESIDENTIAL REGISTRATION FOR A FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SUBTITLE; A FAILURE TO COMPLY WITH THE PROVISIONS OF ARTICLE 18, TITLE 12, SUBTITLE 6 OF THIS CODE; FALSE STATEMENTS IN THE APPLICATION; OR A FAILURE TO PAY OVERDUE COUNTY TAXES, FINES, OR FEES.

(F) Assignment and transfer prohibited. AN APPROVED REGISTRATION IS NOT ASSIGNABLE AND IT DOES NOT TRANSFER UPON THE SALE OR OTHER TRANSFER OF THE PROPERTY.

## 11-13A-103. Hosting platforms.

(1) A HOSTING PLATFORM MAY NOT ADVERTISE, LIST, POST, OR OTHERWISE FACILITATE A BOOKING TRANSACTION FOR A SHORT-TERM RESIDENTIAL RENTAL WITHOUT HAVING VERIFIED THAT THE HOST HAS A VALID, CURRENT REGISTRATION

A HOSTING PLATFORM SHALL COMPLY WITH ALL OF THE FOLLOWING:

FROM THE DEPARTMENT FOR SHORT-TERM RESIDENTIAL RENTALS AND THAT THE RENTAL ADDRESS MATCHES THE ADDRESS ON THE REGISTRATION, EXCEPT THAT A HOSTING PLATFORM NEED NOT RE-VERIFY THE VALIDITY OF THE REGISTRATION UNLESS:

(I) THE HOSTING PLATFORM RECEIVES NOTICE FROM THE DEPARTMENT OR ANY OTHER SOURCE THAT THE HOST CANNOT LAWFULLY ENTER INTO SHORT-TERM RESIDENTIAL RENTAL TRANSACTIONS; OR

(II) THE HOST HAS STOPPED OFFERING SHORT-TERM RESIDENTIAL RENTALS WITH THE HOSTING PLATFORM FOR A PERIOD OF 12 MONTHS OR MORE SINCE THE REGISTRATION WAS LAST VERIFIED.

(2) A HOSTING PLATFORM SHALL INCLUDE THE HOST'S REGISTRATION NUMBER IN AN ADVERTISEMENT, LISTING, OR POST FOR A SHORT-TERM RESIDENTIAL RENTAL.

(3) A HOSTING PLATFORM SHALL REMOVE AN ADVERTISEMENT, LISTING, OR POST WITHIN THREE DAYS IF THE HOSTING PLATFORM LEARNS FROM THE DEPARTMENT OR

1 2 3	ANY OTHER SOURCE THAT THE HOST'S REGISTRATION HAS BEEN SUSPENDED OR REVOKED.
4 5 6 7 8	(4) A HOSTING PLATFORM MAY NOT COLLECT A—FEE RENT IN EXCHANGE FOR FACILITATING RESERVATIONS, ADVERTISEMENTS, LISTINGS, OR POSTS OF SHORT-TERM RESIDENTIAL RENTALS IF THE DWELLING UNIT CANNOT LAWFULLY BE USED FOR A SHORT-TERM RESIDENTIAL RENTAL.
9 10 11	(5) A HOSTING PLATFORM SHALL KEEP, FOR A PERIOD OF AT LEAST THREE YEARS, RECORDS RELATING TO ALL SHORT-TERM RESIDENTIAL RENTALS ADVERTISED, LISTED, POSTED, OR OTHERWISE FACILITATED BY THE HOSTING PLATFORM.
13 14 15 16 17	(6) THE RECORDS KEPT BY A HOSTING PLATFORM SHALL INCLUDE THE NAME AND ADDRESS OF THE HOST; THE STREET ADDRESS OF THE SHORT-TERM RESIDENTIAL RENTAL; THE DATE OF THE BOOKING TRANSACTION; THE START AND END DATE OF THE SHORT-TERM RESIDENTIAL RENTAL; AND THE RENT AND OTHER FEES CHARGED BY THE HOST AND HOSTING PLATFORM.
19 20 21 22	(7) UPON A <u>WRITTEN</u> REQUEST FROM THE COUNTY, A HOSTING PLATFORM SHALL MAKE AVAILABLE FOR INSPECTION THOSE RECORDS WHICH CONTAIN INFORMATION USED IN ITS ADVERTISEMENTS, LISTINGS, OR POSTS AND THOSE RECORDS CONTAINING INFORMATION THAT IS OTHERWISE PUBLIC INFORMATION.
24 25 26	(8) A HOSTING PLATFORM SHALL COLLECT FROM THE HOST AND REMIT TO THE COUNTY THE OCCUPANCY TAX REQUIRED BY § 4-6-105 OF THIS CODE.
27	11-13A-104. Enforcement.
28 29 30 31 32	IN ADDITION TO ANY OTHER REMEDIES PROVIDED BY LAW, A VIOLATION OF ANY PROVISION OF THIS SUBTITLE IS PUNISHABLE AS A CLASS C CIVIL OFFENSE AS PROVIDED IN § 9-2-201 OF THIS CODE.
33	ARTICLE 18. ZONING
34 35	TITLE 12. SPECIAL USES
36 37	SUBTITLE 6. SHORT-TERM RESIDENTIAL RENTALS
38 39	18-12-601. Definitions.
₩ 1	IN THIS SUBTITLE, THE FOLLOWING WORDS HAVE THE MEANING INDICATED:
12 13	(1) "HOST" HAS THE MEANING SET FORTH IN § 11-13A-101 OF THIS CODE.
14 15 16 17 18	(2) "SHORT-TERM RESIDENTIAL RENTALS RENTAL" HAS THE MEANING SET FORTH IN § 11-13A-101, EXCEPT THAT THE TERM DOES NOT INCLUDE A HOTEL, A BED AND BREAKFAST HOME, A BED AND BREAKFAST INN, OR A ROOMING HOUSE.
19	18-12-602. Short-term residential rentals.
50 51 52 53	A SHORT-TERM RESIDENTIAL RENTAL SHALL COMPLY WITH ALL OF THE FOLLOWING REQUIREMENTS.
54	(1) THE HOST SHALL BE REGISTERED AS REQUIRED BY § 11-13A-102 OF THIS CODE.

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1 2 3

(2) THE SHORT-TERM RESIDENTIAL RENTAL MAY NOT CREATE A USE THAT IS PROHIBITED IN THE ZONING DISTRICT IN WHICH THE DWELLING UNIT IS LOCATED.

*4 5* 

SECTION 2. And be it further enacted, That this Ordinance shall take effect 45 days from the date it becomes law.

AMENDMENTS ADOPTED: January 21 and February 3, 2020

READ AND PASSED this 18th day of February, 2020

By Order:

JoAnne Gray

Administrative Officer

PRESENTED to the County Executive for his approval this 19th day of February, 2020

JoAnne Gray

Administrative Officer

APPROVED AND ENACTED this 24 day of February, 2020

Steuart Pittman
County Executive

**EFFECTIVE DATE:** 

APR 9 2020

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO. 89-19. The original of which is retained in the files of the county council.

JoAnne Gray

Administrative Officer