|  |  |
| --- | --- |
|  | **The Council of the City of New York**  **Finance Division**  **Latonia McKinney, Director**  **Fiscal Impact Statement**  **Proposed Intro. No: 981-A**  **Committee: Housing and Buildings** |
| **Title:** A Local Law to amend the administrative code of the city of New York, in relation to the regulation of short-term residential rentals | **Sponsors:** Council Members Rivera, Cumbo, Rosenthal, the Speaker (Council Member Johnson), Adams, Ampry-Samuel, Ayala, Brannan, Chin, Cohen, Constantinides, Deutsch, Diaz, Dromm, Espinal, Eugene, Gjonaj, Grodenchik, Kallos, King, Koslowitz, Lancman, Lander, Levine, Maisel, Menchaca, Moya, Powers, Reynoso, Richards, Rodriguez, Rose, Salamanca, Torres, Treyger, Williams, Cabrera, Van Bramer, Holden, Koo, Miller, Cornegy, Gibson and Perkins |

**Summary of Legislation:** Proposed Intro. No. 981-A would require online short-term rental platforms that provide booking services for a fee to submit a monthly report to an administering agency, either the Office of Special Enforcement (OSE) or another agency designated by the Mayor, providing certain information about such transactions, including the address of units offered for short-term rental; the name, address, phone number, and email address of the hosts offering such units; the URL of unit listings; whether the rental is for the entirety of the unit or part of a unit; the total amount of fees received by such booking service for such short-term rental; the total number of days the unit was rented; and information about how such rent payments are received (including the amount thereof). Such platforms would be subject to a civil penalty of the greater of $1,500 or the total fees collected during the preceding year for transactions related to the listing for failure to comply with provisions of this legislation. These civil penalties may be recovered in a proceeding before the Office of Administrative Trials and Hearings or a court of appropriate jurisdiction.

The legislation would generally exempt class B multiple dwellings that are lawfully used for transient occupancy. A list of such properties would be compiled, updated, and published by the administering agency.

**Effective Date:** This local law would take effect 180 days after it becomes law, except that (i) the head of the administering agency may take such measures as are necessary for its implementation, including the promulgation of rules, before such effective date and (ii) the mayor may designate an administering agency, as such term is defined in such section, before such effective date.

**Fiscal Year In Which Full Fiscal Impact Anticipated:** Fiscal 2020

**Fiscal Impact Statement:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Effective FY19** | **FY Succeeding Effective FY20** | **Full Fiscal Impact FY20** |
| **Revenues** | $0 | $0 | $0 |
| **Expenditures** | $0 | $0 | $0 |
| **Net** | $0 | $0 | $0 |

**Impact on Revenues:** It is estimated that there would be no impact on revenues resulting from the enactment of this legislation. While the administering agency is authorized to impose civil penalties to booking services that fail to provide information with respect to a short-term rental, this estimate assumes booking services would fully comply with the provisions of this legislation.

**Impact on Expenditures:** It is anticipated that there would be no impact on expenditures resulting from the enactment of this legislation because existing resources would be used to implement the provisions of this local law.

**Source of Funds To Cover Estimated Costs:** Not applicable.

**Source of Information:** New York City Council Finance Division

**Estimate Prepared by:** Sarah Gastelum, Principal Financial Analyst

**Estimated Reviewed by:** Chima Obichere, Unit Head

Rebecca Chasan, Counsel

**Legislative History:** This legislation was introduced to the full Council on June 7, 2018 as Intro. No. 981 and was referred to the Committee on Housing and Buildings (Committee). A hearing was held by the Committee on June 26, 2018, and the bill was laid over. The legislation was subsequently amended and the amended version, Proposed Intro. No. 981-A, will be considered by the Committee on July 18 2018. Following a successful Committee vote, the bill will be submitted to the full Council for a vote on July 18, 2018.

**Date Prepared:** July 16, 2018