



Legislation Text

File #: Res 1231-2020, **Version:** *

Res. No. 1231

Resolution calling upon the United States Congress and Senate to pass, and the President to sign, the Federal Protecting Local Authority and Neighborhoods (“PLAN”) Act (H.R. 4232), to ensure the ability to enforce State and local law relating to the leasing and renting of real property.

By Council Members Powers and Vallone

Whereas, Section 230 of the federal Communications Decency Act (“CDA”) impedes the ability of aggrieved persons to impose, in part, legal responsibility on certain companies for most content posted by third parties; and

Whereas, Short-term rental platforms such as Airbnb have invoked section 230 of the CDA in lawsuits contesting the legislation that cities such as San Francisco, Los Angeles, Boston, Miami Beach, and San Diego have enacted that are intended to regulate short-term rental platforms and protect affordable housing stock; and

Whereas, Airbnb referenced the provisions of section 230 of the CDA to block enforcement of Local Law 146 of 2018, which would prohibit the advertising of illegal short-term rentals on Airbnb and similar websites, to argue that it is not responsible for illegal listings; and

Whereas, An October 2014 report by the New York State Attorney General found that between 2010 and 2014, 25,532 unique units on Airbnb were rented illegally by 20,835 hosts; and

Whereas, In December 2015, Airbnb released data to claim that 95 percent of its hosts were abiding by New York City law, but was later found to have purged over 1,000 of its listings in New York City before releasing that data; and

Whereas, A recent 2017 university study on the effect of home-sharing shows a general increase in the cost of living for communities by incentivizing property owners to transition their properties to short-term

rental markets rather than long-term or for-sale markets, thus impacting the number and affordability of the housing market; and

Whereas, A January 2018 research report on short-term rentals in New York City revealed that Airbnb usage has resulted in between 7,000 and 13,500 units of housing being removed from New York City's long-term rental market from September 2014 to August 2017 study period; and

Whereas, According to the *New York Times* on January 14, 2019, the City filed a \$21 million lawsuit against Metropolitan Property Group, a real estate brokerage firm, for allegedly using Airbnb to illegally rent out apartments in 35 buildings in Manhattan, including buildings in Kips Bay and East Harlem, using a web of 18 corporate entities and fake identities hosted on Airbnb to convert 130 apartments into de facto hotel rooms, housing more than 75,000 guests from 2015 to 2018; and

Whereas, Media reports indicated that New York City officials filed a lawsuit on June 19th after having discovered an alleged network of illegal short-term rentals that were converted from residential units in 36 buildings in Queens, Brooklyn, and Manhattan, many of which were low-cost or rent-stabilized, and which had grossed more than \$5 million in revenue through Airbnb for booking 24,330 rooms and 63,873 guests from 2015 to 2019; and

Whereas, Recent enforcement data provides that in calendar year 2018, the Mayor's Office of Special Enforcement issued 3,456 summons for illegal hotel activity in the City; and

Whereas, The Federal PLAN Act (H.R. 4232), was introduced in Congress and would amend the provisions of the CDA to hold internet platforms like Airbnb accountable by providing that internet entities who market illegal short-term rentals can be held liable under state and local law; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress and Senate to pass, and the President to sign, the Federal Protecting Local Authority and Neighborhoods ("PLAN") Act (H.R. 4232), to ensure the ability to enforce State and local law relating to the leasing and renting of real property.

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