113 Montauk Road Narragansett, RI 02882

May 9, 2024

Chair Casey and Members House Municipal Government and Housing Committee State House Providence, Rhode Island

Re: Support H 8182 – Amending Tourism and Development Legislation for Short Term Rentals – with suggested amendment

Dear Chair Casey and Committee Members:

Thank you to Rep. Carson for Sponsoring H 8182 which makes some important clarifications and additions to the state's legislation managing short term rentals.

Adding definitions for owner occupied provides important information about the nature of shortterm rentals in our state. This will allow the state and municipalities to distinguish those that are pure real estate investment businesses from those that are owner occupied properties. It will provide a stronger basis for managing this changing use of Rhode Island's housing into businesses for transient lodging.

I suggest one clarifying amendment to the definition of "Owner-occupied residential real estate" on page 2, lines 17 - 23. The definition for "owner occupied residential real estate" the last sentence of this definition (lines 21-23) reads:

"Furthermore, to qualify as owner-occupied residential real estate the owner shall move into the property within six (6) months of the real estate closing on the property and must reside in the property for six (6) months."

I suggest it be edited for clarification as follows:

"Furthermore, to qualify as owner-occupied residential real estate the owner shall move into the property within six (6) months of the real estate closing on the property and must reside in the property for <u>at least</u> six (6) months <u>each year</u>."

The revision to 42-63.1-14 (page 3, lines 9-13) is an important clarification that municipalities are able to regulate Air B & B style rentals. Yet, the state needs to go further and enable municipal tax classification and fire safety standards for short-term rentals. The House Short Term Rental Commission heard from the Portsmouth Fire Chief last week, that fire inspectors do not have adequate fire safety standards for short-term rentals. I respectfully suggest that Rhode Island knows from experience how badly this story will end if municipalities are not authorized or even required to have stronger fire safety standards for short term rental properties.

The revisions to the state registration (page 3 lines 31-32 and page 4) are important clarifications and additions that will enable the state and municipalities to have the information they need to manage the short term rental businesses that are being established in our communities. The additional provisions that require hosting platforms to list a property's current registration number and expiration date adds important accountability for the hosting platforms.

We understand the short-term rental industry and it's impact on our communities much better today than we did when this registration legislation was originally adopted by the General Assembly. In addition, we have learned that some clarification of the registration system is necessary. Contrary to the testimony and assertions from the short-term rental business owners, these changes are not onerous and do not dramatically impact the industry. Rather the proposed revisions and additions in H 8182 are a very important initial step in helping the State and municipalities track and manage this exploding industry.

Sincerely, Ruper Friday

Rupert Friday

Rupert Friday has a master's degree in planning and over 30 years professional planning experience. He led Maryland Department of Planning's "Local Government Assistance Program." He currently is a member of the Narragansett Planning Board and a member of a joint committee of Planning Board and the Narragansett Affordable Housing Collaborative.