

## **##Short Term Rental Limitation Act**

**###AN ACT** to restrict short-term rentals in major metropolitan areas in the event of a housing emergency, and for other purposes

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\*Whereas\* a serious shortage of affordable housing has arisen in Sierra, which has pushed many people into the suburbs and exurbs of major metropolitan areas after their displacement from the city cores,

\*Whereas\* this shortage is in no insignificant part attributable to the rise of short-term rental platforms, notably Airbnb, and the proliferation of short-term listings on these platforms,

\*Whereas\* the use of rental properties by corporate and large-scale landlords for “Airbnb hotels” deprives working Sierrans of desperately-needed housing stock in major metropolitan areas,

\*Whereas\* numerous studies have confirmed that the presence of short-term rental platforms in an urban neighborhood dramatically accelerates the rate by which average rents rise in the area,

\*Whereas\* the fight for affordable housing cannot be won without addressing excess demand, namely in this case, the rampant speculation that has arisen as a result of the growing short-term rental market,

\*Whereas\* the short-term rental platforms have failed to take the issue of housing affordability seriously and have conversely invested millions of dollars into lobbying in order to frustrate common-sense regulations to protect the prosperity of Sierra’s middle class,

\*Whereas\* action must be taken to remedy the housing affordability crisis that stops the illegal conversion of residential properties into full-time hotels and the use of second homes for short-term rentals rather than permanent housing,

\*Whereas\* any solution to the crisis should only penalize large, corporate landlords and not small-scale, middle-class homeowners who let out their property for parts of the year in order to generate extra income,

**\*\*THE PEOPLE OF THE STATE OF SIERRA DO ENACT AS FOLLOWS:\*\***

**\*\*SEC. 1. SHORT TITLE AND DEFINITIONS\*\***

\*\*(a)\*\* This Act may be cited as the “Short Term Rental Limitation Act of 2020.”

\*\*(b)\*\* In this Act—

> “Census metropolitan area” has the same meaning as provided by the United States Census Bureau;

> “Secretary” means the Secretary of Public Services;

**\*\*SEC. 2. HOUSING EMERGENCY\*\***

\*\*(a)\*\* Notwithstanding any other provision of law, the Governor may issue a proclamation declaring a state of housing emergency if he or she determines that—

> \*\*(1)\*\* a significant shortage of housing stock exists in the State;

> \*\*(2)\*\* the crisis affects several municipalities in the State and is not localized to any single census metropolitan area,

> \*\*(3)\*\* ongoing programs and measures are unable to cope with the gravity of the emergency; and

> \*\*(4)\*\* short-term rentals are in significant part responsible for the shortage of housing stock.

\*\*(b)\*\* A proclamation under this section shall include fact-finding in relation to subsection (a), including a determination that county and local governments are unable to effectively respond to the emergency, and a temporal limitation that shall not exceed eighteen (18) months.

**\*\*SEC. 3. EMERGENCY POWERS\*\***

\*\*(a)\*\* During a state of housing emergency, the Governor or the Secretary may make all regulations necessary and proper to effectuate the goals in this section.

\*\*(b)\*\* Emergency powers shall include—

> \*\*(a)\*\* authority to prohibit or regulate rentals of less than thirty days in duration for the duration of the emergency;

> \*\*(b)\*\* authority to temporally regulate the duration of rentals of less than thirty days in duration over any given calendar year for the duration of the emergency;

> \*\*(c)\*\* authority to fine violators of regulations made pursuant to this Act by a civil penalty not exceeding \$10,000; and

> \*\*(d)\*\* authority to make necessary appropriations to execute the provisions of this Act.

**\*\*SEC. 4. EFFECTIVE DATE\*\***

The Act is effective immediately upon enactment.

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Written and submitted by /u/KellinQuinn\_ (Dem.)