

**SENATE . . . . . No. 1898**

---

**The Commonwealth of Massachusetts**

\_\_\_\_\_

PRESENTED BY:

***Susan L. Moran***

\_\_\_\_\_

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to protect affordable housing stock.

\_\_\_\_\_

PETITION OF:

NAME:

*Susan L. Moran*

DISTRICT/ADDRESS:

*Plymouth and Barnstable*

**SENATE . . . . . No. 1898**

---

By Ms. Moran, a petition (accompanied by bill, Senate, No. 1898) of Susan L. Moran for legislation to protect affordable housing stock. Revenue.

---

**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninety-Third General Court  
(2023-2024)**  
\_\_\_\_\_

An Act to protect affordable housing stock.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Chapter 64G of the General Laws is hereby amended by inserting, after  
2 section 3C, the following section:-

3           Section 3D. Short Term Rental Business Excise

4           (a) An operator of a short-term rental, as defined in section 1 of this chapter, shall pay an  
5 annual assessment of 5 per cent of the operator’s gross revenues derived from operation of short-  
6 term rentals in the commonwealth.

7           (1) For the purposes of this section, an operator of a short-term rental shall not include  
8 any person operating an owner-occupied property.

9           (b) An operator shall pay the above assessment to the department of revenue annually,  
10 not later than the 30th of January in the following year.

11 (c) An operator shall submit to the department of revenue a full report of the revenues  
12 generated from each of the operator's short-term rental properties and the addresses of each of  
13 said properties.

14 (d) All monies derived from the assessment in this section shall be credited by the  
15 department of revenue to the municipal affordable housing trust fund, as authorized by section  
16 55C of chapter 44, of the municipality in which the person operated said short-term rentals.

17 (e) If the municipality in which the person operated said short-term rentals has not  
18 established a municipal affordable housing trust fund, all monies derived from monetary  
19 penalties under this section shall be credited to the General Fund of the city or town, provided,  
20 however that all monies derived from monetary penalties under this section shall not be used for  
21 any other purpose besides the development of affordable housing within the municipality.

22 (f) If the person operated said short-term rentals in multiple municipalities, the monies  
23 shall be distributed among the municipalities proportionally based on the percentage of the  
24 operator's total properties in each municipality.

25 SECTION 2. Section 6 of Chapter 64G of the General Laws, as appearing in the 2020  
26 Official Edition, is hereby amended by inserting, after the first sentence, the following:-

27 A person that operates a short-term rental without a certificate of registration shall be  
28 liable for a monetary penalty of 5 per cent of the person's gross annual revenues derived from  
29 operating short-term rentals within the commonwealth.

30 A person that operates a short-term rental without a certificate of registration shall be  
31 liable for an additional monetary penalty of 1 per cent of the person's gross annual revenues

32 derived from operating short-term rentals within the commonwealth for each successive year  
33 after the first year that the person operates a short-term rental without a certificate of registration,  
34 such that the monetary penalty for operating a short-term rental without a certificate of  
35 registration shall be 5 per cent of the person's gross annual revenues derived from operating  
36 short-term rentals within the commonwealth in the first year, 6 per cent in the second year, 7 per  
37 cent in the third year, and further.

38 A monetary penalty imposed on a person that operates a short-term rental without a  
39 certificate of registration pursuant to this section shall never exceed 15 per cent of the person's  
40 gross annual revenues derived from operating short-term rentals within the commonwealth.

41 The department of revenue shall enforce this section and shall distribute all monetary  
42 penalties collected pursuant to this section.

43 All monies derived from monetary penalties under this section shall be credited to the  
44 municipal affordable housing trust fund, as authorized by section 55C of chapter 44, of the  
45 municipality in which the person operated said short-term rentals.

46 If the municipality in which the person operated said short-term rentals has not  
47 established a municipal affordable housing trust fund, all monies derived from monetary  
48 penalties under this section shall be credited to the General Fund of the city or town, provided,  
49 however that all monies derived from monetary penalties under this section shall not be used for  
50 any other purpose besides the development of affordable housing within the municipality.

51 If the person operated said short-term rentals in multiple municipalities, the monies shall  
52 be distributed among the municipalities proportionally based on the percentage of the operator's  
53 total properties in each municipality.

54 Notwithstanding the provisions of this section, the department of revenue shall have the  
55 authority to enter into an agreement with an unregistered operator of a short-term rental that may  
56 exempt said operator from paying any monetary penalties derived from this section, provided  
57 that the terms of such agreement shall include that:

58 (a) said operator shall apply for a certificate of registration as detailed in section 67 of  
59 chapter 62C;

60 (b) said operator shall not further operate a short-term rental until said operator is granted  
61 said certificate of registration; and

62 (c) if said operator shall, upon obtaining a certificate of registration and resuming  
63 operations of a short term rental, fails to pay the assessment described in section 3D of chapter  
64 64G, such failure shall constitute a violation of the terms of such agreement.

65 In accordance with section 1 of chapter 12, the Attorney General is authorized to enforce  
66 this section. The Attorney General may, within 7 years, bring an action to recover any unpaid  
67 assessments and monetary penalties, or enjoin the operations of any non-compliant entity, in any  
68 court of competent jurisdiction.

69 Any municipality or group of municipalities adversely impacted by the action, or failure  
70 to act, of any short-term rental operator under this section, may, within 10 years, bring an action  
71 to recover any unpaid assessments and monetary penalties, or enjoin the operations of any non-  
72 compliant entity, in any court of competent jurisdiction.