



NEW YORK STATE SENATOR

Brad Hoylman-Sigal

Testimony on Local Law 18 to the Mayor's Office of Special Enforcement

BRAD HOYLMAN-SIGAL December 5, 2022

Thank you for this opportunity to submit testimony regarding Local Law 18. I strongly support the proposed rules as written. I represent New York's 27th Senate District, which includes the neighborhoods from Canal Street to 72nd Street on the west side and 3rd Street to 56th Street in Midtown and the east side. In the new year, I will represent the 47th Senate District stretching from Christopher Street to 103rd Street on the west side. Short-term rentals are an issue that is deeply pertinent to both my current and my new districts and their constituents. As we work to address our housing crisis, ensuring a well-regulated short-term rental market is critical. This is highlighted by recent reports which brought to light the fact that there are now more short-term rental units available to rent than long term rental units. Earlier this year, an analysis found around 7,000 long term units available on the market, while the number of short-term rentals hovers around 10- 20, 000 units in Airbnb alone.

Since their inception, short-term rental platforms have cited Section 230 of the Communication Decency Act to skirt existing state and local laws by arguing that they are third-party platforms who simply provide "postings" that are beyond their control. Yet, as the 9th Circuit Court of Appeals has upheld, platforms that charge and accept a fee cannot be considered neutral provider of information while simultaneously acting as an active

participant in a financial transaction. Despite this, short-term rental providers have turned a blind eye, forcing constituents and visitors alike to cope with irresponsible guests and hosts and depriving our neighbors of desperately needed permanent housing.

Local Law 18 affirms that platforms are not neutral actors and, by requiring hosts to prove their permanent occupancy, combats the rise of illegal hotels like those operated by MetroButler. By mandating that hosts provide identification to obtain a registration, Local Law 18 provides an additional measure of security for visitors and neighbors alike. Finally, I am pleased to see that Local Law 18 will ensure that short-term rentals are not permitted in NYCHA housing and private buildings that prohibit such dwellings. This will help ensure that New York's already strained housing stock is not further diminished by hosts acting in bad faith against the public interest and the terms of their lease, deed, tenant association, or co-op board.

Having seen the City Council pass Local Law 18 almost unanimously at the beginning of this year, I am delighted to see the Mayor's Office of Special Enforcement taking steps to implement these rules. These reforms are long overdue, and New Yorkers need this protection now. I urge this body to implement the proposed rules as written.

Thank you for the opportunity to testify.