

SENATE No. 2400

Senate April 4, 2018, – Text of the Senate amendment to the House Bill regulating and insuring short-term rentals (House, No. 4327)

The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court
(2017-2018)

1 SECTION 1. Chapter 29C of the General Laws is hereby amended by adding the
2 following 2 sections:-

3 Section 19. There shall be a separate fund to be known as the Cape Cod and Islands
4 Water Protection Fund. The fund shall be subject to this chapter, except as otherwise provided in
5 this section. There shall be credited to the fund revenue from appropriations or other money
6 authorized by the general court and specifically designated to be credited to the fund including,
7 but not limited to, revenues received under the excise imposed under section 3C of chapter 94G,
8 any investment income earned on the fund’s assets and all other sources, each source being
9 tracked separately for accounting purposes as of June 30 of each year.

10 The trust shall hold the fund in an account separate from other funds of the trust.
11 Proceeds of the fund shall not be used to offset or otherwise replace contract assistance funds or
12 reserve funds used for pool financing. The trust shall apply and disburse amounts credited to the
13 fund, without further appropriation, to provide subsidies and other assistance, which may include
14 principal forgiveness, to local governmental units and other eligible borrowers in the payment of
15 debt service costs on loans and other forms of financial assistance made by the trust for water
16 pollution abatement projects in municipalities that are members of the fund. Each municipality

17 within Barnstable or Nantucket counties or the county of Dukes County shall be a member of the
18 fund if it is subject to: (i) an area wide wastewater management plan under section 208 of the
19 Clean Water Act, 33 U.S.C. 1288; or (ii) a suitable equivalent plan determined by the department
20 of environmental protection. Water pollution abatement projects eligible for subsidies and other
21 assistance under this section may include the utilization of innovative strategies and alternative
22 Title V technologies that result in nutrient reduction for marine and fresh waters.

23 The fund may provide subsidies and other assistance as provided in this section with
24 respect to debt incurred prior to the establishment of the fund in the towns of Nantucket,
25 Edgartown, Tisbury, Oak Bluffs, Falmouth, Chatham and Provincetown and the city of
26 Barnstable for water pollution abatement projects apart from the trust.

27 Amounts credited to the fund shall be expended or applied only with the approval of the
28 Cape Cod and Islands Water Protection Fund Management Board established under section 20
29 and in a manner determined by the board, in addition to any approvals required under this
30 chapter. Ten per cent of the annual revenue deposited into the fund shall be transferred to the
31 department of environmental protection for the department to contract with a regional planning
32 agency or non-profit corporations to evaluate and report on the efficacy of adaptive management
33 measures to reduce nitrogen pollution of coastal waterways undertaken pursuant to an area wide
34 wastewater management plan or a suitable equivalent plan, to monitor the water quality of areas
35 subject to the study and to support further assessment and water quality modeling to further
36 refine area wide wastewater management plans or suitable equivalent plans in Barnstable and
37 Nantucket counties and the county of Dukes County. Any amounts remaining in the fund at the
38 end of a fiscal year shall be carried forward into the following fiscal year and shall remain
39 available for application and disbursement without further appropriation.

40 A municipality that is a member of the fund under this section may withdraw from the
41 fund by a two-thirds vote of its legislative body; provided, however, that a municipality shall not
42 withdraw from the fund during the term of any financial assistance award from the fund to the
43 municipality. A municipality that has withdrawn from the fund shall not have representation on
44 the Cape Cod and Islands Water Protection Fund Management Board established under section
45 20. A municipality that has withdrawn from the fund and votes, by majority vote of its legislative
46 body, to return to the fund shall not receive money from the fund until not less than 2 years from
47 the date of its vote to do so.

48 Section 20. There shall be a Cape Cod and Islands Water Protection Fund Management
49 Board that shall consist of 1 person to be appointed by each board of selectmen or town council
50 in each municipality that is a member of the Cape Cod and Islands Water Protection Fund;
51 provided, however, that an appointee of a board of selectmen or town council shall be a member
52 of the respective appointing authority, a town manager or administrator or other municipally
53 employed professional staff. The executive director of the Cape Cod commission, the executive
54 director of the Martha's Vineyard commission and the town manager of Nantucket shall serve as
55 non-voting ex-officio members on the board.

56 Each member of the management board shall serve for a term of 3 years and until a
57 successor is appointed and qualified and each member of the management board shall be eligible
58 for reappointment. Each member of the management board appointed to fill a vacancy on the
59 management board shall be appointed for the unexpired term of the vacant position. The
60 members of the management board shall select a member to serve as chairperson and vice-
61 chairperson for a term established by vote of the management board. The Cape Cod commission,
62 in consultation with the Martha's Vineyard commission, shall provide administrative and

63 technical support to the management board and may be compensated for its associated costs by
64 vote of the management board. The management board's duties shall be limited to determining
65 the method for subsidy allocation, including, but not limited to, an equitable distribution among
66 participating municipalities consistent with revenue deposited from each municipality into the
67 fund, and to ensuring that money from the Cape Cod and Islands Water Protection Fund is spent
68 only for the purposes listed in section 19.

69 SECTION 2. Section 16 of chapter 62C, as appearing in the 2016 Official Edition, is
70 hereby amended by inserting after subsection (g) the following subsection:-

71 (g^{1/2}) Notwithstanding subsection (g), the department of revenue shall promulgate
72 regulations to minimize the administrative burden relative to filing returns under said subsection
73 (g) on operators who offer their accommodations to the public for at least 1 day in 5 separate
74 months or less in the taxable year. The regulations may authorize an operator to file a return only
75 for a month that the operator's accommodation is offered to the public.

76 SECTION 3. Chapter 64G of the General Laws is hereby amended by striking out
77 sections 1 to 6, inclusive, as so appearing, and inserting in place thereof the following 12
78 sections:-

79 Section 1. As used in this chapter, the following words shall have the following meanings
80 unless the context clearly requires otherwise:

81 "Bed and breakfast establishment", a private owner-occupied house where at least 1 room
82 or unit is rented, a breakfast is included in the rent and all accommodations are reserved in
83 advance.

84 “Commissioner”, the commissioner of revenue.

85 “Hosting platform”, a service through a digital platform, third-party website, software,
86 online-enabled application, mobile phone application or some other, similar electronic process
87 that allows: (i) an operator to advertise, list or offer the use of an accommodation subject to the
88 excise under this chapter in exchange for rent; (ii) an operator to collect the payment of rent on
89 an accommodation; and (iii) a person to arrange, book, reserve or rent an accommodation.

90 “Hotel”, a building used for the feeding and lodging of guests licensed or required to be
91 licensed under section 6 of chapter 140.

92 “Intermediary”, a person or entity, other than an operator, that facilitates the sale, use or
93 possession of an occupancy and charges a room charge to the general public; provided, however,
94 that the term “facilitates” shall include a person or entity that brokers, coordinates or in any other
95 way arranges for the purchase, sale, use or possession of occupancies by the general public; and
96 provided further, that the term “intermediary” shall include a hosting platform and operator’s
97 agent.

98 “Lodging house”, a house licensed or required to be licensed under section 23 of chapter
99 140 and where lodgings are rented to not less than 4 people who shall not be within the second
100 degree of kindred to the owner or operator of such lodging house.

101 “Motel”, a building or portion of a building in which a person is lodged for hire with or
102 without meals and that is licensed or required to be licensed under section 32B of chapter 140;
103 provided, however, that a “motel” shall not include a hotel or lodging house.

104 “Occupancy”, the use or possession or the right to the use or possession of a room in a
105 bed and breakfast establishment, hotel, lodging house, transient accommodation or motel
106 designed and normally used for sleeping and living purposes for a period of not more than 90
107 consecutive calendar days, regardless of whether such use and possession is as a lessee, tenant,
108 guest or licensee; provided, however, that “occupancy” shall include the right to the use or
109 possession of the furnishings or the services and accommodations, including breakfast in a bed
110 and breakfast establishment, accompanying the use and possession of such a room.

111 “Occupant”, a person who uses, possesses or has a right to use or possess a room in a bed
112 and breakfast establishment, hotel, lodging house, transient accommodation or motel for rent
113 under a lease, concession, permit, right of access, license or agreement.

114 “Operator”, a person operating a bed and breakfast establishment, hotel, lodging house,
115 transient accommodation or motel in the commonwealth including, but not limited to, the owner
116 or proprietor of such premises, the lessee, sublessee, mortgagee in possession, licensee or any
117 other person otherwise operating such bed and breakfast establishment, hotel, lodging house,
118 transient accommodation or motel.

119 “Operator’s agent”, a person who on behalf of an operator of a bed and breakfast
120 establishment, hotel, motel, transient accommodation or lodging house: (i) manages the
121 operation or upkeep of a property offered for rent; or (ii) books reservations at a property offered
122 for rent; provided, however, that an “operator’s agent” shall include, but not be limited to, a
123 property manager, property management company or real estate agent.

124 “Person”, an individual, partnership, trust or association, with or without transferable
125 shares, joint-stock company, corporation, society, club, organization, institution, estate, receiver,

126 trustee, assignee or referee and any other person acting in a fiduciary or representative capacity,
127 whether appointed by a court or otherwise, or any combination of individuals acting as a unit.

128 “Rent”, the total consideration paid by or on behalf of an occupant, including any service,
129 cleaning or other charge, to an operator, an intermediary collecting and remitting the excise on
130 behalf of an operator under section 13 or a room reseller for occupancy, valued in money,
131 whether received in money or otherwise, including all receipts, cash, credits and property or
132 services of any kind or nature.

133 “Room reseller”, a person having any right, permission, license or other authority from or
134 through an operator to reserve, convey or arrange transfer of occupancy of an accommodation
135 for rent, directly or indirectly.

136 “Transient accommodation”, an owner-occupied, tenant-occupied or non-owner occupied
137 property including, but not limited to, an apartment, house, cottage, condominium or a furnished
138 accommodation that is not a hotel, motel, lodging house or bed and breakfast establishment,
139 where: (i) at least 1 room or unit is rented to an occupant or sub-occupant; and (ii) all
140 accommodations are reserved in advance; provided, however, that a private owner-occupied
141 property shall be considered a single unit if leased or rented as such.

142 Section 2. This chapter shall not include: (i) lodging accommodations at federal, state or
143 municipal institutions; (ii) lodging accommodations, including dormitories, at religious,
144 charitable, educational and philanthropic institutions; provided, however, that the exemption
145 allowed shall not apply to accommodations provided by any such institution at a hotel or motel
146 generally open to the public and operated by the institution; (iii) privately-owned and operated
147 convalescent homes or homes for the aged, infirm, indigent or chronically ill; (iv) religious or

148 charitable homes for the aged, infirm, indigent or chronically ill; (v) summer camps for children
149 up to 18 years of age or developmentally disabled individuals; provided, however, that a summer
150 camp that offers its facilities off season to individuals 60 years of age or older for a period of not
151 more than 30 days in a calendar year shall not lose its exemption under this section; (vi) lodging
152 accommodations provided to seasonal employees by employers; (vii) alcohol and drug free
153 housing that is certified pursuant to section 18A of chapter 17; and (viii) tenancies at will or
154 month-to-month leases.

155 For the purposes of this section, “developmentally disabled individual” shall mean an
156 individual who has a severe chronic disability that: (i) is attributable to a mental or physical
157 impairment or combination of mental and physical impairments; (ii) is likely to continue
158 indefinitely; (iii) results in substantial functional limitations in not less than 3 of the following
159 areas of major life activity: (1) self-care; (2) receptive and expressive language; (3) learning; (4)
160 mobility; (5) self-direction; (6) capacity for independent living; and (7) economic self-
161 sufficiency; and (iv) reflects the individual’s need for a combination and sequence of special,
162 interdisciplinary or generic care, treatment or other services that are of lifelong or extended
163 duration and are individually planned and coordinated.

164 Section 3. An excise shall be imposed upon the transfer of occupancy of a room or unit in
165 a bed and breakfast establishment, hotel, lodging house, transient accommodation or motel by an
166 operator or room reseller at the rate of 5 per cent of the total amount of rent for each such
167 occupancy. An excise shall not be imposed if the total amount of rent is less than \$15 per day or
168 its equivalent.

169 The operator or room reseller shall pay the excise to the commissioner at the time
170 provided for filing the return required under section 16 of chapter 62C.

171 Section 3A. A city or town that accepts this section may impose a local excise upon the
172 transfer of occupancy of a room in a bed and breakfast establishment, hotel, lodging house,
173 transient accommodation or motel located within that city or town by an operator or room
174 reseller at a rate of not more than 6 per cent of the total amount of rent for each such occupancy;
175 provided, however, that the city of Boston may impose such local excise upon the transfer of
176 occupancy of a room in a bed and breakfast establishment, hotel, lodging house, transient
177 accommodation or motel located within the city by an operator or room reseller at the rate of not
178 more than 6.5 per cent of the total amount of rent of each such occupancy. No excise shall be
179 imposed if the total amount of rent is less than \$15 per day or its equivalent or if the
180 accommodation is exempt under section 2. An operator or room reseller shall pay the local
181 excise imposed under this section to the commissioner at the same time and in the same manner
182 as the excise due to the commonwealth. All sums received by the commissioner under this
183 section as excise, penalties or forfeitures, interest, costs of suit and fines shall at least quarterly
184 be distributed, credited and paid by the state treasurer upon certification of the commissioner to
185 each city or town that has adopted this section in proportion to the amount of such sums received
186 from the transfer of occupancy in each such city or town. Acceptance of this section shall be: (i)
187 by a majority vote of the city council with the approval of the mayor in the case of a city with a
188 Plan A, Plan B or Plan F charter; (ii) by a majority vote of the city council in the case of a city
189 with a Plan C, Plan D or Plan E charter; (iii) by a majority vote of the annual town meeting or a
190 special meeting called for that purpose in the case of a municipality with a town meeting form of
191 government; or (iv) by a majority vote of the town council in the case of a municipality with a

192 town council form of government. This section shall take effect on the first day of the calendar
193 quarter following 30 days after its acceptance or on the first day of a later calendar quarter as the
194 city or town may designate. The city or town, in accepting this section, shall not revoke or
195 otherwise amend the applicable local tax rate more often than once in a 12-month period.

196 The commissioner shall make available to a city or town requesting such information the
197 total amount of room occupancy tax collected in the preceding fiscal year in the city or town
198 requesting the information.

199 Section 3B. Notwithstanding sections 9 and 10 of chapter 152 of the acts of 1997, the
200 convention center financing fee imposed upon the transfer of occupancy of a transient
201 accommodation in the cities of Boston, Cambridge, Springfield, Worcester, West Springfield and
202 Chicopee shall revert half to the General Fund and half to the city in which the transient
203 accommodation was transferred.

204 Section 3C. A time-share unit under chapter 183B that is rented to an occupant or sub-
205 occupant who is not the holder of a time-share license or time-share estate for the unit shall be
206 subject to any excise imposed upon the transfer of occupancy under this chapter.

207 Section 3D. In addition to the excise imposed under section 3 and any excise imposed
208 under section 3A, an excise shall be imposed on the transfer of occupancy of a room in a bed and
209 breakfast establishment, hotel, lodging house, transient accommodation or motel located within a
210 municipality that is a member of the Cape Cod and Islands Water Protection Fund established
211 under section 19 of chapter 29C at a rate of 2.75 per cent of the total amount of rent for each
212 such occupancy; provided, however, that all revenues received from the excise under this section
213 shall be credited to the Cape Cod and Islands Water Protection Fund. An excise shall not be

214 imposed if the total amount of rent is less than \$15 per day or its equivalent. An operator or room
215 reseller shall pay the excise due to the Cape Cod and Islands Water Protection Fund to the
216 commissioner at the same time and in the same manner as the excise due to the commonwealth

217 Section 4. Except as provided in section 13, reimbursement for the excise imposed under
218 this chapter shall be paid by the occupant of any such room to the operator and each operator
219 shall add to the rent and collect from the occupant the full amount of the excise imposed by this
220 chapter or an amount equal as nearly as possible or practical to the average equivalent thereof
221 and such excise shall be a debt from the occupant to the operator when so added to the rent and
222 shall be recoverable at law in the same manner as other debts.

223 Section 4A. Notwithstanding this chapter, where occupancy is transferred through the use
224 of a room reseller, the room reseller shall collect and pay to the commissioner the excise upon
225 the amount of rent paid by the occupant to the room reseller, less the amount of rent that the
226 reseller has paid to the operator. The operator shall collect and pay to the commissioner the
227 excise upon the amount of rent paid to the operator by the reseller or the occupant.

228 No assessment shall be made against an operator for an incorrect remittance of the excise
229 under this chapter by an unaffiliated room reseller and no assessment shall be made against a
230 room reseller for an incorrect remittance of the excise under this chapter by an unaffiliated
231 operator.

232 Section 5. The amount of the excise collected by the operator or the room reseller from
233 the occupant pursuant to this chapter shall be stated and charged separately from the rent and
234 shown separately on any record of the excise at the time the transfer of occupancy is made or on
235 any evidence of such transfer issued or used by the operator. A room reseller shall not be

236 required to disclose to the occupant the amount of tax charged by the operator. The room reseller
237 shall represent to the occupant that the separately stated taxes charged by the room reseller
238 include taxes charged by the operator.

239 Section 6. A person shall not operate a bed and breakfast establishment, hotel, lodging
240 house, transient accommodation or motel or operate as a room reseller unless a certificate of
241 registration has been issued to the person in accordance with section 67 of chapter 62C.

242 Section 6A. No person subject to this chapter shall engage in an unlawful practice under
243 section 4 of chapter 151B.

244 SECTION 4. Said chapter 64G is hereby further amended by striking out sections 7A and
245 7B, as so appearing, and inserting in place thereof the following 2 sections:-

246 Section 7A. An operator or room reseller who has paid to the commissioner an excise
247 pursuant to section 3 upon an account later determined to be worthless shall be entitled to an
248 abatement of the excise paid on the worthless account. A claim for abatement shall be filed not
249 later than April 15 annually and shall cover the amount of the excise on accounts determined to
250 be worthless in the prior calendar year.

251 An operator or room reseller who recovers an excise on an account determined to be
252 worthless and for which an application for abatement has been filed shall report and include the
253 same in a monthly return at the time of recovery.

254 Section 7B. An operator or room reseller who fails to pay to the commissioner money
255 required to be paid by this chapter shall be personally and individually liable therefor to the
256 commonwealth. As used in this section, the term “operator” or “room reseller” shall include an

257 officer or employee of a corporation or a member or employee of a partnership or a limited
258 liability company who, as such officer, employee or member, is under a duty to pay the taxes
259 imposed by this chapter.

260 An operator who misrepresents to an intermediary that the transfer of occupancy of the
261 operator's property is exempt from the excise imposed by sections 3 and 3A shall be liable for
262 any unpaid excise under said sections 3 and 3A and shall be deemed to have committed an unfair
263 trade practice under chapter 93A in making such a misrepresentation to the intermediary.

264 SECTION 5. Said chapter 64G is hereby further amended by striking out section 12, as
265 so appearing, and inserting in place thereof the following 5 sections:-

266 Section 12. No excise shall be imposed under this chapter upon the transfer of occupancy
267 of a room in a hotel, lodging house, transient accommodation or motel if the occupant is an
268 employee of the United States military traveling on official United States military orders that
269 encompass the date of such occupancy. Each operator or room reseller shall maintain such
270 records as the commissioner shall require to substantiate exemptions claimed under this section.

271 Section 13. (a) An operator may elect to allow an intermediary to collect rent or facilitate
272 the collection or payment of rent on its behalf through a written agreement on an accommodation
273 subject to the excise under this chapter. An intermediary that enters into a written agreement with
274 the operator to collect rent or facilitate the collection or payment of rent on behalf of the operator
275 on an accommodation subject to the excise under this chapter shall: (i) apply for and obtain a
276 certificate of registration from the commissioner in accordance with section 67 of chapter 62C on
277 behalf of the operator; and (ii) assess, collect, report and remit the excise to the commissioner as
278 described for operators in sections 3, 3A, 5, 7A, 7B and 12. The certificate of registration

279 obtained from the commissioner pursuant to this subsection shall identify and be in the name of
280 the individual operator, not the intermediary.

281 (b) An intermediary collecting and remitting the excise on behalf of an operator shall
282 provide notification within a reasonable time to the operator that the excise has been collected
283 and remitted to the commissioner pursuant to section 3. The notification may be delivered in
284 hand or by mail or conveyed by electronic message, mobile or smart phone application or
285 another similar electronic process, digital media or communication portal. An operator shall not
286 be responsible for collecting and remitting the excise on a transaction for which the operator has
287 received notification from an intermediary that the excise has been collected and remitted to the
288 commissioner on their behalf.

289 (c) The commissioner may enter into a voluntary collection agreement with an
290 intermediary required to remit the excise pursuant to subsection (a) who is willing to assume
291 liability for the collection and remittance of the excise imposed under this chapter on behalf of
292 the operators that the intermediary represents. The intermediary shall not be liable for faults in
293 collecting or remitting the excise proximately caused by the hosting platform's or operator's
294 agent's reasonable reliance on representations made to it by the operator about the nature of the
295 property being rented, the duration of the occupancy or other similar misrepresentations made by
296 the operator to the hosting platform or operator's agent. The operator shall be liable for any
297 unpaid excise resulting from any such misrepresentations. An intermediary shall not be liable for
298 any over collection of the excise if the excise collected was remitted to the commissioner and the
299 over collection resulted from the intermediary's reasonable reliance on the operator's
300 representations about the nature of the property being rented or the nature of the occupancy or

301 whether such property was exempt from the excise. The operator shall be liable for monetary
302 damages to the occupant resulting from any such misrepresentations.

303 Section 14. A city or town, by ordinance or bylaw, may regulate operators registered
304 pursuant to section 67 of chapter 62C and impose penalties for the violation of such an ordinance
305 or bylaw. An ordinance or bylaw may require registration, licensing or inspection and may
306 regulate the existence or location of operators.

307 Section 15. The commissioner shall annually publish a report on transient
308 accommodations in the commonwealth. The commissioner may require a hosting platform,
309 intermediary or operator of a transient accommodation to submit to the department of revenue, in
310 a form approved by the commissioner, information including, but not limited to: (i) the street
311 address and unit number, if applicable, of the transient accommodation; (ii) whether the transient
312 accommodation provides exclusive use of an entire residential unit or is for a room in an
313 otherwise occupied unit; (iii) the total number of days that the transient accommodation was
314 rented to occupants; (iv) the aggregate rent paid by all occupants during the reporting period; (v)
315 the total amount of revenue collected from the excise on the transfer of occupancy of the
316 transient accommodation; and (vi) the total amount of revenue collected from the local excise on
317 the transfer of occupancy of the transient accommodation.

318 The department shall make available any data set used pursuant to this section to a
319 regional planning agency, municipality or other public agency requesting such information;
320 provided, however, that the department shall utilize the practices that are necessary to prevent the
321 public disclosure of personal information regarding hosts and occupants. The department shall
322 annually publish summary statistics at the zip code or census tract level on its website. The

323 department shall take all measures necessary to protect the confidentiality and security of an
324 operator's tax information from any disclosure pursuant to this section.

325 Section 16. The commissioner shall promulgate rules and regulations for assessing,
326 reporting, collecting, remitting and enforcing the room occupancy excise pursuant to this
327 chapter.

328 SECTION 6. Chapter 175 of the General Laws is hereby amended by inserting after
329 section 4E the following section:-

330 Section 4F. (a) As used in this section, the words "hosting platform", "operator" and
331 "transient accommodation" shall have the same meanings as under section 1 of chapter 64G
332 unless the context clearly requires otherwise.

333 (b) A hosting platform shall maintain liability insurance of not less than \$1,000,000 to
334 cover each unit offered as a transient accommodation. Such coverage shall defend and indemnify
335 the operator and any tenants or owners in the building for bodily injury and property damage
336 arising from the transient accommodation.

337 (c) Prior to an operator offering a transient accommodation through the use of a hosting
338 platform, the hosting platform shall provide notice to the operator that standard homeowners or
339 renters insurance may not cover property damage or bodily injury to a third-party arising from
340 the transient accommodation.

341 (d) Insurers that write homeowners and renters insurance may exclude any and all
342 coverage afforded under the policy issued to a homeowner or lessee for any claim resulting from
343 the rental of any accommodation under chapter 64G. Insurers that exclude the coverage

344 described in this section shall not have a duty to defend or indemnify any claim expressly
345 excluded by a policy. Nothing under this section shall preclude an insurer from providing
346 coverage for transient accommodations if the insurer chooses to do so.

347 (e) Any policy or policy form intended to cover operators of transient accommodations
348 from liabilities, whether they are being provided by a hosting platform or an operator itself, shall
349 be placed on file with the division of insurance.

350 SECTION 7. Notwithstanding section 19 of chapter 29C of the General Laws, a
351 municipality included in the Cape Cod and Islands Water Protection Fund shall not withdraw
352 from the fund for 1 year after the effective date of this act.

353 SECTION 8. A municipality that becomes a member of the Cape Cod and Islands Water
354 Protection Fund under section 19 of chapter 29C after December 1, 2018 shall be subject to the
355 excise under section 3C of chapter 94G on the first day of a calendar quarter after it has joined
356 the fund, as the municipality may designate.

357 SECTION 9. There shall be a commission to study the feasibility and potential for use of
358 lodging units within the hospitality industry, including hotel, motel, bed and breakfast and
359 hosting platform lodging units, as resources to increase the availability of emergency shelter for
360 individuals and families displaced during extreme weather events or other states of emergency
361 declared by the governor. The commission shall study and make recommendations relating to: (i)
362 ways to maintain up-to-date inventories of units available for shelter during emergencies; (ii)
363 networks to alert local officials about the availability of hospitality industry units as emergency
364 shelter; (iii) platforms and protocol for communication and coordination between the hospitality

365 industry and state and local officials during emergencies; and (iv) any other factors deemed
366 relevant by the chair of the commission.

367 The commission shall consist of: the director of the Massachusetts emergency
368 management agency or a designee, who shall serve as chair; 2 members appointed by the
369 Massachusetts Lodging Association, Inc.; 3 members appointed by the Massachusetts Municipal
370 Association, Inc., 2 of whom shall have experience in local emergency planning and
371 management and 1 of whom shall have experience in municipal licensure processes; and 3
372 members appointed by the governor, 1 of whom shall be a representative of the department of
373 revenue, 1 of whom shall be a representative of a hosting platform and 1 of whom shall be a
374 representative of a non-profit entity with experience in national-level emergency management
375 and relief.

376 The commission shall report the results of its study, together with drafts of recommended
377 legislation, if any, by filing the report with the clerks of the house of representatives and senate
378 not later than July 31, 2019.

379 SECTION 10. Section 3 of chapter 64G of the General Laws shall take effect for
380 transfers of occupancies of transient accommodations that commence on or after January 1, 2019
381 and for which contracts with occupants were entered into on or after November 1, 2018;
382 provided, however, that if the transfer of occupancy is of a transient accommodation for which
383 the commissioner has entered into a voluntary collection agreement with an intermediary under
384 section 13 of said chapter 64G, the intermediary may collect and remit the excise before January
385 1, 2019.

386 SECTION 11. Sections 3 and 4A of chapter 64G of the General Laws shall take effect for
387 transfers by room resellers that commence on or after January 1, 2019 and for which contracts
388 with occupants were entered into on or after November 1, 2018.