
OLR Bill Analysis

sHB 5536

AN ACT ESTABLISHING A STATE SHORT-TERM RENTAL REGISTRY.

SUMMARY

This bill expands the regulation of short-term rental properties in Connecticut. Among other things, existing law generally (1) requires short-term rental facilitators and operators to collect room occupancy tax and (2) authorizes municipalities to adopt ordinances to regulate the operation and use of short-term rental properties and require their licensure. Starting by January 1, 2027, the bill requires certain short-term rental properties that are not municipally licensed to annually register with the Department of Revenue Services (DRS).

The bill relatedly requires the DRS commissioner to compile the registrations submitted into an online registry and establishes a \$100 fee on each registration towards the administrative costs of establishing, updating, and maintaining the registry. The registry must be posted on the DRS website and be searchable and organized in a way that allows anyone to view the registered short-term rentals located within a given municipality.

To enforce the registration requirement, the bill authorizes the DRS commissioner to impose a civil penalty of up to \$1,000 per violation against any short-term rental operator or short-term rental owner he determines is listing or advertising an unregistered or unlicensed short-term rental.

EFFECTIVE DATE: October 1, 2026

SHORT-TERM RENTAL REGISTRATION REQUIREMENTS

The bill's annual registration requirement specifically applies to short-term rentals located in Connecticut that are listed or advertised by any (1) short-term rental operator or (2) owner solely through means

other than a short-term rental facilitator. Any operator or owner that lists or advertises before January 1, 2027, must register their short-term rental property with DRS, in a form and manner the commissioner prescribes, by that date. To list or advertise on or after that date, the bill requires operators and owners to first register the short-term rental property with the department.

Short-Term Rental Terms

By law, and under the bill, a “short-term rental” is the transfer for consideration of the occupancy in a furnished residence or similar accommodation for 30 consecutive days or less.

A “short-term rental operator” is any person who has an agreement with a short-term rental facilitator regarding the listing or advertising of a short-term rental in Connecticut.

A “short-term rental facilitator” is any person who:

1. during the prior 12-month period, facilitates retail sales of at least \$250,000 by short-term rental operators by providing a short-term rental platform;
2. collects rent for occupancy and remits payments to short-term rental operators, directly or indirectly, through agreements or arrangements with third parties; and
3. receives compensation or other consideration for the services.

A “short-term rental platform” is a physical or electronic place that allows short-term rental operators to display available accommodations to prospective guests, including a store, booth, website, catalog, or dedicated software application.

Registration Filing

The bill requires each short-term rental property to be registered separately and each registration to include the property’s address, the \$100 registration fee, and other information. For short-term rental operators, registrations must include the operator’s name and contact

information and, if the operator is not the property's owner, the owner's name and contact information. For owners who list or advertise in a way other than a short-term rental facilitator, registrations must include the owner's name and contact information. If an operator or owner is a business entity and located out of state, the bill requires the registration to also include the name and contact information of an agent in Connecticut for service of process.

If a registration's information changes, the bill requires the respective short-term rental operator or owner to notify the DRS commissioner about the change within 30 days after it takes effect.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 36 Nay 18 (03/30/2026)