

Private Lodging Business Act

(Act No. 65 of June 16, 2017)

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Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to secure the proper operation of private lodging businesses, private lodging management businesses, and private lodging intermediary businesses by persons running them, and to facilitate the visits and stays of domestic and foreign tourists while fulfilling their need for lodging in a proper manner, thereby contributing to the stabilization and improvement of the lives of the people and the development of the national economy, through taking measures for establishing a notification system for persons running private lodging businesses and a registration system for persons running private lodging management businesses and private lodging intermediary businesses, in view of the situation surrounding tourists' lodging in Japan.

(Definition)

Article 2 (1) The term "residence" as used in this Act means a residence that meets all of the following requirements:

- (i) it has a kitchen, bathrooms, toilets, washroom facilities and other facilities specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare as necessary for using the relevant residence as a living place; and
 - (ii) it is a residence that is currently used as a person's home, a residence for which a new tenant is being sought after the expiry of the previous tenant's lease, or any other residence that is found to be used for human habitation, as specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.
- (2) The term "lodging" as used in this Act means using facilities while using their bedding.
- (3) The term "private lodging business" as used in this Act means a business in which a person other than a business operator prescribed in Article 3-2, paragraph (1) of the Hotel Business Act (Act No. 138 of 1948) accommodates persons in a residence for a room charge, and the number of days calculated pursuant to the provisions of Order of the Ministry of Land, Infrastructure and Transport and the Ministry of Health, Labor and Welfare as the number of days for accommodating persons does not exceed 180 days in a year.
- (4) The term "private lodging business operator" as used in this Act means a person that runs a private lodging business by submitting a notification referred to in paragraph (1) of the following Article.
- (5) The term "private lodging management services" as used in this Act means the services under Articles 5 through 10 and services that maintain a notified residence (meaning a residence subject to notification referred to in paragraph (1) of the following Article; the same applies hereinafter) necessary for the proper implementation of a private lodging business.
- (6) The term "private lodging management business" as used in this Act means a business that is entrusted under Article 11, paragraph (1) by a private lodging business operator to provide private lodging management services for remuneration.
- (7) The term "private lodging manager" as used in this Act means a person that has received registration referred to in Article 22, paragraph (1) and runs a private lodging management business.
- (8) The term "private lodging intermediary services" as used in this Act means the following acts:
- (i) acting as an agent for lodgers in concluding a contract for, or acting as their intermediary or broker for being provided with lodging services in a notified residence; and
 - (ii) acting as an agent for a private lodging business operator in concluding a

- contract for the provision of lodging services to a lodger in a notified residence, or acting as their intermediary for the provision of those services.
- (9) The term "private lodging intermediary business" as used in this Act means a business in which a person other than a travel agent prescribed in Article 6-4, paragraph (1) of the Travel Agency Act (Act No. 239 of 1952) (simply referred to as a "travel agent" in Articles 12 and 67) performs the acts listed in the items of the preceding paragraph for remuneration.
- (10) The term "private lodging intermediary" as used in this Act means a person that has received registration referred to in Article 46, paragraph (1) and runs a private lodging intermediary business.

Chapter II Private Lodging Business

Section 1 Notification

(Notification)

- Article 3 (1) Notwithstanding the provisions of Article 3, paragraph (1) of the Hotel Business Act, a person that has notified the prefectural governor (or the head of a city that establishes health centers or of a special ward (hereinafter referred to as a "city with a health center or special ward") which handle administrative affairs for the private lodging business or other prescribed business prescribed in Article 68, paragraph (1) (the same applies hereinafter, except for paragraph (7) of this Article and paragraphs (1) and (2) of Article) that they will run a private lodging business may run the private lodging business.
- (2) A person that seeks to make the notification referred to in the preceding paragraph must submit a written notification stating the following particulars to the prefectural governor for each residence where the person seeks to run a private lodging business, pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare:
- (i) the trade name, name, or full name and address;
 - (ii) if the person is a corporation, the full names of its officers;
 - (iii) if the person is a minor, the full name and address of the legal representative (or if the legal representative is a corporation, its trade name or name and address and the full names of its officers);
 - (iv) location of the person's residence;
 - (v) if the person has a business office or office, its name and location;
 - (vi) if the person entrusts private lodging management services pursuant to the provisions of Article 11, paragraph (1) (hereinafter simply referred to as "entrustment of private lodging management services"), the trade name, name or full name of the private lodging manager that is entrusted with

- those services, and other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare; and
- (vii) other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.
- (3) The written notification referred to in the preceding paragraph must be accompanied by a drawing of the residence relating to the relevant notification, a document pledging that the person seeking to make the notification referred to in paragraph (1) does not fall under any of the items of the following Article, and other documents specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.
- (4) If there has been a change in the particulars listed in paragraph (2), items (i) through (iii), (v), or (vii), the private lodging business operator must notify the prefectural governor to that effect within 30 days from the day of that change, and if it seeks to change the particulars listed in item (vi) of that paragraph, it must notify the prefectural governor to that effect before the change.
- (5) The provisions of paragraph (3) apply mutatis mutandis to the notification under the preceding paragraph.
- (6) If a private lodging business operator falls under any of the following items, the person specified in the items must notify the prefectural governor to that effect within 30 days from that date (or in the case of item (i), from the date of learning of that fact) pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare:
- (i) if an individual who is the private lodging business operator dies: the heir;
 - (ii) if a corporation that is the private lodging business operator ceases to exist as a result of a merger: the person who was the officer representing the corporation;
 - (iii) if a corporation that is the private lodging business operator is dissolved as a result of an order commencing bankruptcy proceedings: its bankruptcy trustee;
 - (iv) if a corporation that is the private lodging business operator is dissolved for reasons other than a merger or an order commencing bankruptcy proceedings: its liquidator; or
 - (v) if the private lodging business operator has discontinued its private lodging business: an individual who was the private lodging business operator or an officer representing the corporation that was the private lodging business operator.
- (7) If a prefectural governor has accepted a notification under paragraph (1) or (4) or the preceding paragraph, and a residence subject to that notification is

located within a city with a health center or a special ward (excluding those whose head handles administrative affairs for the private lodging business or other prescribed business prescribed in Article 68, paragraph (1)), the governor must notify the head of that city or special ward to that effect without delay.

(Grounds for Ineligibility)

Article 4 Any person who falls under any of the following categories must not run a private lodging business:

- (i) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare as being incapable of carrying out a private lodging business properly due to a mental or physical disability;
- (ii) a person subject to an order commencing bankruptcy proceedings that has not been released from bankruptcy restrictions;
- (iii) a person who has been ordered to discontinue the private lodging business pursuant to the provisions of Article 16, paragraph (2) if three years have not passed from the date of the order (or if the person to whom the order has been given is a corporation, the person in question includes a person who was an officer of the corporation within 30 days before the date of the order if three years have not passed from the date of the order);
- (iv) a person who has been sentenced to imprisonment without work or a heavier punishment or has been sentenced to a fine pursuant to this Act or the Hotel Business Act, if three years have not passed from the day on which the execution of that sentence has been completed or the person ceased to be subject to execution of that sentence;
- (v) an organized crime group member prescribed in Article 2, item (vi) of the Act on the Prevention of Unjust Acts by Organized Crime Group Members (Act No. 77 of 1991) or a person who ceased to be an organized crime group member prescribed in that item on a day that is not yet five years in the past (hereinafter referred to as a "current or former organized crime group member");
- (vi) a minor who does not have the same capacity to act as an adult in relation to business and whose legal representative (if the legal representative is a corporation, including its officers; the same applies in Article 25, paragraph (1), item (vii) and Article 49, paragraph (1), item (vii)) falls under any of the preceding items;
- (vii) a corporation, any one of whose officers falls under any of items (i) through (v) above; or
- (viii) a person whose business activities are controlled by a current or former organized criminal group member.

Section 2 Operation

(Ensuring the Hygiene of Lodgers)

Article 5 A private lodging business operator must take measures that are specified by Order of the Ministry of Health, Labour and Welfare and are necessary to ensure the hygiene of lodgers for its notified residence, such as limiting the number of lodgers according to the floor area of each room (limited to those used for a private lodging business; the same applies in Article 11, paragraph (1), item (i)), or periodical cleaning.

(Ensuring the Safety of Lodgers)

Article 6 A private lodging business operator must take measures that are specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and are necessary to ensure the safety of lodgers in the event of a fire or other disasters for its notified residence, such as installing emergency lighting fixtures or marking evacuation routes.

(Ensuring the Comfort and Convenience of Lodgers who are Foreign Tourists)

Article 7 A private lodging business operator must take measures that are specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and are necessary to ensure the comfort and convenience of lodgers who are foreign tourists, such as providing foreign language guidance to lodgers who are foreign tourists on how to use the facilities of a notified residence, providing information on how to use public transportation for travel in a foreign language.

(Keeping a Register of Lodgers)

Article 8 (1) A private lodging business operator must keep a register of the lodgers in notified residences and other places specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare, enter the full names, addresses, occupations and other information specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare, and submit this when requested by the prefectural governor.

(2) Lodgers must inform the private lodging business operator of the information specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare as referred to in the preceding paragraph when requested to do so.

(Explanation of Particulars Necessary for the Prevention of Adverse Effects on the Living Environment in the Surrounding Area)

Article 9 (1) A private lodging business operator must explain particulars that should be considered for preventing noise and other particulars that are specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare and are necessary for preventing adverse effects on the living environment in the surrounding area of notified residence, to lodgers, pursuant to Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.

(2) A private lodging business operator must provide explanations under the preceding paragraph to lodgers who are foreign tourists in a foreign language they can speak.

(Response to Complaints)

Article 10 A private lodging business operator must respond appropriately and promptly to complaints and enquiries from residents of the surrounding area of the notified residence.

(Entrustment of Private Lodging Management Services)

Article 11 (1) When any of the following items applies, a private lodging business operator must entrust its private lodging management services subject to the relevant notified residence to a private lodging manager pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare; provided, however, that this does not apply if the private lodging business operator is a private lodging manager, and the private lodging business operator provides the private lodging management services for the notified residence on its own:

- (i) if the number of rooms in the notified residence exceeds the number of rooms specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare as the number at which the proper implementation of the private lodging management services is not likely to be hindered even if a private lodging business operator provides all the services for all the rooms; or
- (ii) if the business operator is absent (excluding cases specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare as being temporary) while a person is staying in a notified residence (this case excludes cases in which it is found that there is no risk of causing hindrance to the proper implementation of private lodging management services without a private lodging business operator's entrusting those services to a private lodging manager, in consideration of the distance between the residence the private lodging business operator

uses and the notified residence and other circumstances).

(2) The provisions of Article 5 through the preceding Article do not apply to a private lodging business operator that runs a private lodging business in a notified residence for which private lodging management services have been entrusted.

(Entrustment of the Conclusion of a Contract for the Provision of a Private Lodging Business as an Agent)

Article 12 If a private lodging business operator entrusts another person with the conclusion of a private lodging business contract (meaning a contract for the provision of private lodging in a notified residence to a lodger; the same applies hereinafter) as its agent or intermediary, the business operator must entrust this to a private lodging intermediary or travel agent.

(Posting of Signs)

Article 13 Private lodging business operators must display a sign in the form specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare in a place easily visible to the public for each notified residence.

(Periodic Reporting to Prefectural Governors)

Article 14 A private lodging business operator must report regularly to the prefectural governor on the number of days that the business operator let persons stay in its notified residence and other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare, pursuant to Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.

Section 3 Supervision

(Business Improvement Order)

Article 15 If a prefectural governor finds it necessary to do so in order to ensure proper operation of the private lodging business, the prefectural governor may order the private lodging business operator to change its business methods or take other measures necessary to improve its business operation, to the extent necessary for that purpose.

(Business Suspension Order)

Article 16 (1) If a private lodging business operator has violated laws and regulations or an order under the preceding Article in relation to the private

lodging business it runs, the prefectural governor may order the suspension of all or part of its business for a specified period not exceeding one year.

- (2) A prefectural governor may order the discontinuation of a private lodging business if a private lodging business operator has violated laws and regulations or an order under the preceding Article or the preceding paragraph in relation to the private lodging business it runs, and the purpose of supervision cannot be achieved by other means.
- (3) If the prefectural governor has issued an order under the preceding two paragraphs, the prefectural governor must give notification to that effect to the private lodging business operator without delay, indicating the reasons for the order.

(Collection of Report and On-site Inspections)

Article 17 (1) If the prefectural governor finds it necessary to do so in order to ensure the proper operation of a private lodging business, it may request the private lodging business operator to report on its business, or may have their officials enter the notified residence or other facilities, inspect the state of its business or equipment, books and documents and other items, or ask questions to the persons concerned.

- (2) The official who conducts an on-site inspection pursuant to the preceding paragraph must carry identification and present it to the person concerned.
- (3) The authority to conduct an on-site inspection under paragraph (1) must not be interpreted as having been granted for the purpose of a criminal investigation.

Section 4 Miscellaneous Provisions

(Restrictions on the Conduct of a Private Lodging Business under the Prefectural or Municipal Ordinance)

Article 18 If it is necessary to do so in order to prevent the deterioration of the living environment due to noise emissions and other events caused by the private lodging business, a prefecture (or within a city with a health center or a special ward which handles administrative affairs for the private lodging business or other prescribed business prescribed in Article 68, paragraph (1), that city or special ward) may limit the period for carrying out the private lodging business to the extent considered necessary by specifying the area, in accordance with the criteria specified by a Cabinet Order, and as specified by Prefectural or Municipal Ordinance.

(Advice to Private Lodging Business Operators)

Article 19 The Commissioner of the Tourism Agency is to provide private lodging

business operators with necessary advice and other assistance with regard to measures to improve the reception of foreign tourists, such as the development of facilities with infrastructures that enable the use of the Internet, in order to ensure the proper implementation of the private lodging business.

(Provision of Information on Private Lodging Business)

Article 20 (1) The Commissioner of the Tourism Agency is to provide foreign tourists with information on the state of implementation of the private lodging business and other information on the private lodging business in order to increase the convenience regarding foreign tourists' lodging.

(2) If the Commissioner of the Tourism Agency finds it necessary to do so in order to provide the information referred to in the preceding paragraph, the Commissioner may request the prefectural governor to provide the necessary information concerning notified residences located in the prefecture.

(Relationship with the Building Standards Act)

Article 21 In the provisions of the Building Standards Act (Act No. 201 of 1950) and orders made thereunder, the terms "residences", "row houses", "apartment houses" and "dormitories" include those which are notified residences.

Chapter III Private Lodging Management Business

Section 1 Registration

(Registration)

Article 22 (1) A person that seeks to run a private lodging management business must be registered with the Minister of Land, Infrastructure and Transport.

(2) The registration referred to in the preceding paragraph ceases to be effective upon expiry of the period unless renewed every five years.

(3) If an application for renewal referred to in the preceding paragraph has been made and no disposition is made on the application by the date of expiry of the period referred to in the preceding paragraph (hereinafter in this paragraph and the following paragraph referred to as the "valid period of registration"), the previous registration remains in force after the expiry of the valid period of registration until the disposition is made.

(4) In the case referred to in the preceding paragraph, if the registration is renewed, the validity period of the registration is to be calculated from the day after the expiry date of the previous registration.

(5) A person that seeks to renew the registration referred to in paragraph (2) must pay a fee in the amount specified by Cabinet Order in consideration of the actual costs.

(Application for Registration)

Article 23 (1) A person that seeks the registration referred to in paragraph (1) of the preceding Article (including renewal of registration referred to in paragraph (2) of that Article; hereinafter the same applies in this Chapter and Article 72, item (ii)) must submit an application stating the following to the Minister of Land, Infrastructure, Transport and Tourism:

- (i) the trade name, name, or full name and address;
 - (ii) if the person is a corporation, the full names of its officers;
 - (iii) if the person is a minor, the full name and address of the legal representative (or if the legal representative is a corporation, its trade name or name and address and the full names of its officers); and
 - (iv) the name and location of the person's business office or office.
- (2) The application referred to in the preceding paragraph must be accompanied by a document pledging that the person seeking the registration referred to in paragraph (1) of the preceding Article does not fall under any of the items of Article 25, paragraph (1) and other documents specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(Entry in a Register)

Article 24 (1) When an application for registration under paragraph (1) of the preceding Article is made, the Minister of Land, Infrastructure, Transport and Tourism must register the following particulars in the register of private lodging management businesses, except cases in which the Minister denies the registration pursuant to paragraph (1) of the following Article:

- (i) the particulars listed in the items of paragraph (1) of the preceding Article; and
 - (ii) date of registration and the registration number.
- (2) If the Minister of Land, Infrastructure and Transport has granted registration under the preceding paragraph, the Minister must notify the applicant and the prefectural governor to that effect without delay.

(Denial of Registration)

Article 25 (1) If a person seeking the registration referred to in Article 22, paragraph (1) falls under any of the following items, or if the application or its supporting documents referred to in Article 23, paragraph (1) contain a false statement on an important particular or omit important facts, the Minister of Land, Infrastructure, Transport and Tourism must deny the registration:

- (i) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as being incapable of properly carrying out the private lodging management business due to a mental or physical disability;
- (ii) a person subject to an order commencing bankruptcy proceedings that has

- not been released from bankruptcy restrictions;
- (iii) a person whose registration has been revoked pursuant to Article 42, paragraph (1) or (4) if five years have not passed from the date of the revocation (or if the person whose registration has been revoked is a corporation, the person in question includes a person who was an officer of the corporation within 30 days before the date of the revocation if five years have not passed from the date of the revocation);
 - (iv) a person who has been sentenced to imprisonment without work or a heavier punishment or has been sentenced to a fine pursuant to the provisions of this Act, if five years have not passed from the date on which the execution of that sentence has been completed or the person ceased to be subject to execution of that sentence;
 - (v) a current or former organized crime group member;
 - (vi) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as being one that there are reasonable grounds to find likely to commit fraudulent or dishonest acts in relation to the private lodging management business;
 - (vii) a minor who does not have the same capacity to act as an adult in relation to the business and whose legal representative falls under any of the preceding items;
 - (viii) a corporation, one of whose officers falls under any of items (i) through (vi) above;
 - (ix) a person whose business activities are controlled by a current or former organized crime group member;
 - (x) a person that does not have a financial basis that conforms to the standards specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and is found necessary to carry out a private lodging management business; or
 - (xi) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as not having the necessary infrastructures in place to accurately carry out the private lodging management business.
- (2) If the Minister of Land, Infrastructure and Transport denies registration pursuant to the preceding paragraph, the Minister must notify the applicant of this without delay, indicating the reasons for the denial.

(Notification of Changes)

- Article 26 (1) If there has been a change in the particulars listed in the items of Article 23, paragraph (1), a private lodging manager must notify the Minister of Land, Infrastructure and Transport to that effect within 30 days from the date of that change.
- (2) If the Minister of Land, Infrastructure, Transport and Tourism receives a

notification under the preceding paragraph, the Minister must register the particulars subject to the notification in the register of private lodging managers, except cases in which those particulars fall under paragraph (1), item (vii) or (viii) of the preceding Article.

- (3) If the Minister of Land, Infrastructure and Transport has made a registration under the preceding paragraph, the Minister must notify the prefectural governor to that effect without delay.
- (4) The provisions of Article 23, paragraph (2) apply mutatis mutandis to the notification under paragraph (1).

(Inspection of the Register of Private Lodging Managers)

Article 27 The Minister of Land, Infrastructure and Transport must make the register of private lodging managers available for public inspection.

(Notification of Discontinuance of Business)

Article 28 (1) If a private lodging manager comes to fall under any of the following items, the persons specified in the items must notify the Minister of Land, Infrastructure, Transport and Tourism to that effect within 30 days from that date (in the case of item (i), from the date of learning of the fact) pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism:

- (i) if an individual who is the private lodging management dies: the heir;
 - (ii) if a corporation that is the private lodging manager ceases to exist as a result of a merger: a person who was an officer representing that corporation;
 - (iii) if a corporation that is the private lodging manager is dissolved by an order commencing bankruptcy proceedings: its bankruptcy trustee;
 - (iv) if a corporation that is the private lodging manager is dissolved for reasons other than a merger or an order commencing bankruptcy proceedings: its liquidator; or
 - (v) if the private lodging manager has discontinued its private lodging management business: an individual who was the private lodging manager or an officer representing a corporation that was the private lodging manager.
- (2) If a private lodging manager comes to fall under any of the items of the preceding paragraph, the registration under Article 22, paragraph (1) ceases to be valid.

Section 2 Operation

(Principles of Business Processes)

Article 29 Private lodging managers must perform their work in a spirit of good faith and in integrity.

(Prohibition of Lending One's Name)

Article 30 A private lodging manager must not allow another person to run a private lodging management business under that private lodging manager's name.

(Prohibition of Exaggerated Advertising)

Article 31 When advertising its business, a private lodging manager must not make representations that are significantly different from the actual facts with regard to particulars concerning the responsibilities of the private lodging manager and other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism, or representations that mislead people into believing that they are significantly better or more advantageous than they are in reality.

(Prohibition of Improper Solicitation)

Article 32 A private lodging manager must not do any of the following acts:

- (i) in soliciting conclusion of a management contract (meaning a contract under which the private lodging manager is entrusted with private lodging management services) or in order to prevent the cancellation of that contract, intentionally failing to tell a fact to a person that has entrusted or seeks to entrust the private lodging manager with the private lodging management services (hereinafter referred to as the "entrusting person") in relation to important particulars that concern the management contract and may influence the entrusting person's decision, or misrepresenting those particulars to the entrusting person; and
- (ii) beyond what is provided for in the preceding item, acts relating to the private lodging management business which are specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as lacking in the protection of an entrusting person.

(Delivery of Documents Before the Conclusion of a Management Contract)

Article 33 (1) When a private lodging manager seeks to conclude a management contract, it must deliver a document to the entrusting person (excluding a person who is a private lodging manager) and explain the contents of the management contract and particulars concerning its performance specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism in it before concluding that contract.

(2) In lieu of delivering a document under the preceding paragraph, the private lodging manager may provide the entrusting person with the particulars to be described in that document by electronic or magnetic means (meaning a

method using an electronic data processing system or other information communication technology as prescribed by Order of the Ministry of Land, Infrastructure, Transport and Tourism; the same applies in Article 60, paragraph (2)) with the consent of the entrusting person, pursuant to the provisions of Cabinet Order. In this case, the private lodging manager is deemed to have delivered that document.

(Delivery of Documents on Concluding Management Contracts)

Article 34 (1) When a private lodging manager has concluded its management contract, it must deliver a document stating the following to the entrusting person without delay:

(i) the notified residence subject to private lodging management services;

(ii) the methods of carrying out private lodging management services;

(iii) the particulars relating to the term of the contract;

(iv) the particulars relating to remuneration;

(v) if there are provisions for renewal or cancelation of the contract, the details of those provisions; and

(vi) other particulars specified by Order of the Ministry of Land, Infrastructure and Transport.

(2) The provisions of paragraph (2) of the preceding Article apply mutatis mutandis to the delivery of documents under the preceding paragraph.

(Prohibition of Further Entrustment of Private Lodging Management Services)

Article 35 A private lodging manager must not entrust another person with all of the private lodging management services that the private lodging business operator has entrusted to the private lodging manager.

(Implementation of Private Lodging Management Services)

Article 36 The provisions of Articles 5 through 10 apply mutatis mutandis to a private lodging manager that runs a private lodging management business in a notified residence for which the private lodging management services have been entrusted. In this case, the term "notified residences and other places specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare" in Article 8, paragraph (1) is deemed to be replaced with "the business office or office of the private lodging management business operator", and the term "prefectural governor" is deemed to be replaced with "Minister of Land, Infrastructure, Transport and Tourism or prefectural governor".

(Carrying of Identification)

Article 37 (1) A private lodging manager must not allow an employee or other

worker engaged in the business to engage in the business unless the private lodging manager has them carry identification certifying that they are its workers, as specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) When performing their duties, an employee or other worker of a private lodging manager must present the identification referred to in the preceding paragraph when requested to do so by the private lodging operator or any other person concerned.

(Keeping of Accounts)

Article 38 A private lodging manager must keep accounts of its business at each place of business or offices, enter the date of the contract and other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism with regard to the management contract for each notified residence, and keep these accounts, as specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(Posting of Signs)

Article 39 A private lodging manager must display a sign in the form specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism in a place easily visible to the public at each of its places of business or offices.

(Periodic Reporting to Private Lodging Operators)

Article 40 A private lodging manager must report regularly to the private lodging business operator on the state of implementation of the private lodging management services and other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism, as prescribed by Order of the Ministry of Land, Infrastructure, Transport and Tourism.

Section 3 Supervision

(Order to Improve Business Operations)

Article 41 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds it necessary to do so in order to ensure the proper operation of the private lodging management business, the Minister may order the private lodging manager to change its business methods or take other measures necessary to improve the operation of the business, to the extent necessary for that purpose. In this case, the Minister of Land, Infrastructure, Transport and Tourism must notify the prefectural governor of that order without delay.

(2) If the prefectural governor finds it necessary to do so in order to ensure the proper operation of the private lodging management business (limited to the

business under Articles 5 through 10 as applied mutatis mutandis pursuant to Article 36; the same applies in Article 45, paragraph (2)), the governor may order the private lodging manager (limited to a person that runs a private lodging management business within the prefecture; the same applies in paragraph (2) of the preceding Article, and Article 45, paragraph (2)) to change its business methods or take other measures necessary to improve its business operations, to the extent necessary for that purpose. In this case, the prefectural governor must notify the Minister of Land, Infrastructure, Transport and Tourism of that order without delay.

(Revocation of Registration)

Article 42 (1) The Minister of Land, Infrastructure and Transport may revoke the registration of a private lodging manager or order the suspension of all or part of its business for a specified period not exceeding one year if the manager falls under any of the following items:

(i) if the manager falls under any of the items of Article 25, paragraph (1) (excluding item (iii));

(ii) if the manager has received the registration referred to in Article 22, paragraph (1) by wrongful means;

(iii) if the manager has violated a law or regulation or an order under paragraph (1) of the preceding Article or this paragraph in relation to the private lodging management business it runs; or

(iv) if a prefectural governor has made a request pursuant to the following paragraph.

(2) The prefectural governor may request the Minister of Land, Infrastructure, Transport and Tourism to make a disposition under the preceding paragraph if the private lodging manager has violated the provisions of Articles 5 through 10 as applied mutatis mutandis pursuant to Article 36, or has violated an order under paragraph (2) of the preceding Article.

(3) If the Minister of Land, Infrastructure and Transport issues an order under paragraph (1), the Minister must notify the prefectural governor to that effect without delay.

(4) The Minister of Land, Infrastructure and Transport may revoke the registration of a private lodging manager if the Minister finds that the manager has not started its business within one year since it received the registration or has not carried out its business for more than one year.

(5) The provisions of Article 25, paragraph (2) apply mutatis mutandis to cases in which a disposition under paragraph (1) or the preceding paragraph is made.

(Deletion of Registration)

Article 43 (1) The Minister of Land, Infrastructure and Transport must delete

the registration if it loses its effect pursuant to Article 22, paragraph (2) or Article 28, paragraph (2), or the Minister has revoked it pursuant to paragraph (1) or (4) of the preceding Article.

- (2) The provisions of Article 26, paragraph (3) apply mutatis mutandis to the deletion of registration under the preceding paragraph.

(Public Notice of Supervisory Action)

Article 44 If the Minister of Land, Infrastructure, Transport and Tourism has made a disposition under Article 42, paragraph (1) or (4), the Minister must issue public notice to that effect pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(Collection of Reports and On-site Inspections)

Article 45 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds it necessary to do so in order to ensure the proper operation of the private lodging management business, the Minister may request the private lodging manager to report on its business, or may have their officials enter the place of business, office or other facilities of the private lodging manager and inspect the business conditions or equipment, books and documents and other items, or ask questions to the persons concerned.

- (2) If a prefectural governor finds it necessary to ensure the proper operation of a private lodging management business, the governor may request a private lodging manager to report on its business, or have their officials enter the place of business, office or other facilities of a private lodging manager and inspect the business conditions or equipment, books and documents and other items, or ask questions to the persons concerned.

- (3) The provisions of Article 17, paragraph (2) and (3) apply mutatis mutandis to on-site inspections under the preceding two paragraphs.

Chapter IV Private Lodging Intermediary Business

Section 1 Registration

(Registration)

Article 46 (1) Notwithstanding the provisions of Article 3 of the Travel Agency Act, a person that has been registered by the Commissioner of the Tourism Agency may run a private lodging intermediary business.

- (2) The registration referred to in the preceding paragraph ceases to be effective upon expiry of the period unless it is renewed every five years.

- (3) If an application for renewal referred to in the preceding paragraph has been made, and no disposition is made on the application before the expiry of the period referred to in that paragraph (hereinafter in this paragraph and the

following paragraph referred to as the "valid period of registration"), the previous registration remains in force after the expiry of the valid period of registration until the disposition is made.

- (4) In the case referred to in the preceding paragraph, if the registration is renewed, the validity period of the registration is to be calculated from the day after the expiry date of the previous registration.
- (5) A person that seeks to renew the registration referred to in paragraph (2) must pay a fee in the amount specified by Cabinet Order in consideration of the actual costs.

(Application for Registration)

Article 47 (1) A person that seeks the registration referred to in paragraph (1) of the preceding Article (including renewal of registration referred to in paragraph (2) of that Article; the same applies in this Chapter and Article 72, item (ii)) must submit an application stating the following to the Commissioner of the Tourism Agency:

- (i) the trade name, name, or full name and address;
 - (ii) if the person is a corporation, the full names of its officers;
 - (iii) if the person is a minor, the full name and address of the legal representative (or if the legal representative is a corporation, the trade name or name and address of the corporation and the full names of its officers);
and
 - (iv) the name and location of the person's business or office.
- (2) The application referred to in the preceding paragraph must be accompanied by a document pledging that the person seeking the registration referred to in paragraph (1) of the preceding Article does not fall under any of the items of Article 49, paragraph (1) and other documents specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(Entry in Register)

Article 48 (1) When an application for registration under paragraph (1) of the preceding Article is made, the Commissioner of the Tourism Agency must register the following particulars in the register of private lodging intermediaries, except cases in which the Commissioner denies the registration pursuant to paragraph (1) of the following Article:

- (i) the particulars listed in the items of paragraph (1) of the preceding Article;
and
 - (ii) the date of registration and registration number.
- (2) When the Commissioner of the Tourism Agency has made a registration under the preceding paragraph, the Commissioner must notify the applicant to that effect without delay.

(Denial of Registration)

Article 49 (1) If a person seeking the registration referred to in Article 46, paragraph (1) falls under any of the following items, or if the application or its supporting documents referred to in Article 47, paragraph (1) contain a false statement on an important particular or omit important facts, the Commissioner of the Tourism Agency must deny the registration:

- (i) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as being incapable of properly carrying out the private lodging intermediary business due to a mental or physical disorder;
- (ii) a person subject to an order commencing bankruptcy proceedings that has not been released from bankruptcy restrictions, or a person who is treated in the same way under foreign laws and regulations;
- (iii) any person whose registration has been revoked pursuant to the provisions of Article 62, paragraph (1) or (2) or Article 63, paragraph (1) or (2) if five years have not passed from the date of that revocation (if the person whose registration has been revoked is a corporation, the person in question includes any person who was an officer of that corporation within 30 days before the date of that revocation if five years have not passed from the date of that revocation);
- (iv) a person who has been sentenced to imprisonment without work or a heavier punishment (including equivalent punishment under foreign laws and regulations) or has been sentenced to a fine under this Act or the Travel Agency Act or foreign laws and regulations equivalent to them (including equivalent punishment under foreign laws and regulations), if five years have not passed from the date on which the execution of that sentence has been completed or the person ceased to be subject to the execution of that sentence;
- (v) a current or former organized crime group member;
- (vi) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as being one that there are reasonable grounds to find likely to commit fraudulent or dishonest acts in relation to the private lodging intermediary business;
- (vii) a minor who does not have the same capacity to act as an adult in relation to the business and whose legal representative falls under any of the preceding items;
- (viii) a corporation, any one of whose officers falls under any of items (i) through (vi);
- (ix) a person whose business activities are controlled by a current or former organized crime group member;
- (x) a person that does not have a financial basis that conforms to the standards

specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and is found necessary to carry out the private lodging intermediary business; or

(xi) a person specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as not having the necessary infrastructures in place to accurately carry out the private lodging intermediary business.

(2) If the Commissioner of the Tourism Agency denies registration pursuant to the provisions of the preceding paragraph, the Commissioner must notify the applicant to that effect without delay, indicating the reasons for this.

(Notification of Changes)

Article 50 (1) If there has been a change in the particulars listed in the items of Article 47, paragraph (1), a private lodging intermediary must notify the Commissioner of the Tourism Agency to that effect within 30 days from the date of that change.

(2) If the Commissioner of the Tourism Agency receives a notification under the preceding paragraph, the Commissioner must register the particulars subject to the notification in the register of private lodging intermediaries, except cases in which those particulars fall under item (vii) or (viii) of paragraph (1) of the preceding Article.

(3) The provisions of Article 47, paragraph (2) apply mutatis mutandis to the notification under paragraph (1).

(Inspection to the Register of Private Lodging Intermediaries)

Article 51 The Commissioner of the Tourism Agency must make the register of private lodging intermediaries available for public inspection.

(Notification of Closure of Business)

Article 52 (1) If a private lodging intermediary falls under any of the following items, the person specified in the items must notify the Commissioner of the Tourism Agency to that effect within 30 days from that date (or in the case of item (i), from the date of learning of that fact) pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism:

(i) if an individual who is the private lodging intermediary has died: the heir;

(ii) if a corporation which is the private lodging intermediary ceases to exist as a result of a merger: the person who was the officer representing the corporation;

(iii) if a corporation that is the private lodging intermediary receives an order commencing bankruptcy proceedings or commences a procedure equivalent to bankruptcy proceedings under foreign laws and regulations: its bankruptcy trustee or a person equivalent to them under foreign laws and regulations;

- (iv) if a corporation that is the private lodging intermediary is dissolved for reasons other than a merger or an order commencing bankruptcy proceedings: its liquidator or a person equivalent to them under foreign laws and regulations; or
 - (v) if the private lodging intermediary has discontinued its private lodging intermediary business: an individual who was the private lodging intermediary or an officer representing the corporation that was the private lodging intermediary.
- (2) If a private lodging intermediary has come to fall under any of the items of the preceding paragraph, the registration referred to in Article 46, paragraph (1) loses its effect.

Section 2 Operation

(Principles of Business Processes)

Article 53 Private lodging intermediaries must conduct business in a fair and sincere manner.

(Prohibition of Lending One's Name)

Article 54 A private lodging intermediary must not allow another person to run a private lodging intermediary business under the private lodging intermediary's name.

(Terms and Conditions of the Private Lodging Intermediary Services)

Article 55 (1) A private lodging intermediary must establish the terms and conditions of the private lodging intermediary services with regard to the contract concerning the private lodging intermediary services (referred to as a "private lodging intermediary contract" in Article 57, item (i) and Article 59, paragraph (1)) that it concludes with a lodger, and must notify the Commissioner of the Tourism Agency of them before their implementation. The same applies when the intermediary seeks to change them.

- (2) If the Commissioner of the Tourism Agency finds that the terms and conditions of the private lodging intermediary services referred to in the preceding paragraph fall under any of the following items, it may order the private lodging intermediary to change the terms and conditions, setting a reasonable time limit:
- (i) if there is a risk of harming the legitimate interests of the lodgers; or
 - (ii) if the terms and conditions do not clearly specify particulars concerning the receipt and refunding of fees for the private lodging intermediary services and money for other transactions with the lodgers, and particulars concerning the responsibilities of the private lodging intermediary.

- (3) If the Commissioner of the Tourism Agency has established and made a public notice on the general terms and conditions of the private lodging intermediary services (including cases in which the Commissioner has changed and made a public notice on them), and the private lodging intermediary establishes terms and conditions of its private lodging intermediary services that are identical to the general terms and conditions of the private lodging intermediary services or changes the terms and conditions of its private lodging intermediary services that it has already established so that they are identical to the general terms and conditions of the private lodging intermediary services, the notification under paragraph (1) is deemed to have been made for those terms and conditions.
- (4) A private lodging intermediary must make a public notice on the terms and conditions of the private lodging intermediary services pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(Public Notice of Fees for Private Lodging Intermediary Services)

Article 56 (1) Before starting its business, a private lodging intermediary must set the fees for the private lodging intermediary services that it receives from lodgers or private lodging business operators in accordance with the standards specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism, and must make a public notice on these fees pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism. The same applies if the private lodging intermediary seeks to change them.

- (2) A private lodging intermediary must not receive fees in excess of the fees for which it has made a public notice pursuant to the preceding paragraph.

(Prohibition of Improper Solicitation)

Article 57 Private lodging intermediaries must not engage in any of the following acts:

- (i) in soliciting the conclusion of a private lodging intermediary contract or in order to prevent the cancellation of that contract, intentionally failing to tell the lodgers a fact in relation to important particulars that concern the private lodging intermediary contract and would affect the lodger's judgment, or misrepresenting those particulars to the lodgers; or
- (ii) beyond what is provided for in the preceding item, acts concerning the private lodging intermediary business which are specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as lacking in the protection of the lodgers

(Prohibition of Making Arrangements of Illegal Acts)

Article 58 A private lodging intermediary or its agents, employees or other workers must not commit any of the following acts in connection with the private lodging intermediary services it carries out:

- (i) to make arrangements for a lodger to commit an act in violation of laws and regulations, or to provide an environment that makes it convenient to commit that act;
- (ii) to make arrangements for a lodger to receive services in violation of laws and regulations, or to provide an environment that makes it convenient to receive those services;
- (iii) to advertise that they make arrangements or provide an environment as referred to in the preceding two items, or make similar advertisements; or
- (iv) beyond what is provided for in the preceding three items, acts prescribed by Order of the Ministry of Land, Infrastructure, Transport and Tourism as lacking in the protection of lodgers or discrediting the private lodging intermediary business.

(Delivery of Documents Before the Conclusion of a Private Lodging Intermediary Contract)

Article 59 (1) When a private lodging intermediary seeks to conclude a private lodging intermediary contract, it must deliver a document to the lodgers and explain the contents of the private lodging intermediary contract and particulars concerning its performance specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism in it before concluding that contract.

- (2) The provisions of Article 33, paragraph (2) apply mutatis mutandis to the delivery of the document under the preceding paragraph to the lodger.

(Posting Signs)

Article 60 (1) A private lodging intermediary must display a sign in a form specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism in a place easily visible to the public at each of their places of business or offices.

- (2) A private lodging intermediary may make a public notice on the date of registration, registration number and other particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism by electronic or magnetic means. In this case, the provisions of the preceding paragraph do not apply.

Section 3 Supervision

(Business Improvement Order)

Article 61 (1) If the Commissioner of the Tourism Agency finds it necessary to do so in order to ensure the proper operation of the private lodging intermediary business, the Commissioner may order the private lodging intermediary (excluding a natural person who does not have an address or residence in Japan or a corporation or other organization which does not have its principal office in Japan and which runs a private lodging intermediary business in a foreign state (hereinafter referred to as a "foreign private lodging intermediary"); the same applies hereinafter) to change its business methods or take other measures necessary to improve its business operation, to the extent necessary for that purpose.

(2) The provisions of the preceding paragraph apply mutatis mutandis to foreign private lodging intermediaries. In this case, the phrase "order" in that paragraph is deemed to be replaced by "request".

(Revocation of Registration)

Article 62 (1) The Commissioner of the Tourism Agency may revoke the registration of a private lodging intermediary or order the suspension of all or part of its business for a specified period not exceeding one year if the private lodging intermediary falls under any of the following items:

(i) if it has fallen under any of the items of Article 49, paragraph (1) (excluding item (iii));

(ii) if it has obtained the registration under Article 46, paragraph (1) by wrongful means; or

(iii) if it has violated laws and regulations or an order under paragraph (1) of the preceding Article or this paragraph with regard to the private lodging intermediary business it runs.

(2) The Commissioner of Tourism may revoke the registration of a private lodging intermediary if the Commissioner finds that the intermediary has not started its business within one year since it received the registration or has not carried out its business for more than one year.

(3) The provisions of Article 49, paragraph (2) apply mutatis mutandis to cases in which a disposition is made pursuant to the preceding two paragraphs.

Article 63 (1) The Commissioner of the Tourism Agency may revoke the registration of a foreign private lodging intermediary or request the suspension of all or part of its business for a specified period not exceeding one year, if the foreign private lodging intermediary falls under any of the following items:

(i) if it falls under item (i) or (ii) of paragraph (1) of the preceding Article;

(ii) if it has violated laws and regulations in relation to the private lodging intermediary business it runs;

- (iii) if it has failed to respond to a request under Article 61, paragraph (1) as applied mutatis mutandis pursuant to Article 61, paragraph (2) following the deemed replacement of the terms, or under this paragraph;
 - (iv) if the Commissioner of the Tourism Agency finds it necessary to do so in order to ensure the proper operation of the private lodging intermediary business, and has requested the foreign private lodging intermediary to report on its business, or has their officials enter the business office or office of the foreign private lodging intermediary and inspect the state of its business, books and documents and other items, or ask questions to the persons concerned, but the foreign private lodging intermediary fails to report or files a false report, or refuses, obstructs, or evades the inspection, or the persons concerned fail to give an answer to the questions or give a false answer; or
 - (v) if it does not bear the costs under paragraph (4).
- (2) The Commissioner of Tourism may revoke the registration of a foreign private lodging intermediary if the Commissioner finds that the intermediary has not started its business within one year since it received the registration or has not carried out its business for more than one year.
- (3) The provisions of Article 49, paragraph (2) apply mutatis mutandis to cases in which a request is made for the revocation of registration under the preceding two paragraphs or for the suspension of business under paragraph (1).
- (4) The costs required for an inspection under paragraph (1), item (iv) (limited to the costs specified by Cabinet Order) are to be borne by the foreign private lodging intermediary subject to that inspection.

(Deletion of Registration)

Article 64 The Commissioner of the Tourism Agency must delete the registration if it loses its effect pursuant to Article 46, paragraph (2) or Article 52, paragraph (2), or the Commissioner has revoked the registration pursuant to Article 62, paragraph (1) or (2), or pursuant to paragraph (1) or (2) of the preceding Article.

(Public Notice of Supervisory Action)

Article 65 If any of the following items applies, the Commissioner of Tourism must give public notice of any of the following cases pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism:

- (i) if the Commissioner has made a disposition pursuant to the provisions of Article 62, paragraph (1) or (2); or
- (ii) if the Commissioner requests the revocation of registration under Article 63, paragraph (1) or (2) or the suspension of business under paragraph (1) of that Article.

(Collection of Report and On-site Inspections)

Article 66 (1) If the Commissioner of the Tourism Agency finds it necessary to do so in order to ensure the proper operation of the private lodging intermediary business, the Commissioner may request the private lodging intermediary to report on its business, or have their officials enter the business office or office of the private lodging intermediary and inspect the state of its business, books and documents and other items, or ask questions to the persons concerned.

(2) The provisions of Article 17, paragraphs (2) and (3) apply mutatis mutandis to the on-site inspection under the preceding paragraph.

Section 4 Exceptional Provisions on the Travel Agency Act

Article 67 If a travel agent conducts the acts listed in the Article 2, paragraph (8), item (ii) of this Act as the travel services listed in Article 2, paragraph (1), item (iv) of the Travel Agency Act (meaning the travel services prescribed in paragraph (3) of that Article), for the provision of Article 12, paragraph (1) of the Travel Agency Act to be applied, the term "traveler" in Article 12, paragraph (1) of that Act is deemed to be replaced with "traveler and a private lodging business operator prescribed in Article 2, paragraph (4) of the Private Lodging Business Act (Act No. 65 of 2009)".

Chapter V Miscellaneous Provisions

(Processing of Administrative Affairs for Private Lodging Businesses or Other Prescribed Business by Cities with Health Centers, Special Wards, or their Heads)

Article 68 (1) A city with a health center, a special ward, or its head may conduct administrative affairs for the private lodging business or other prescribed business (meaning administrative affairs under Chapter II (excluding Article 3, paragraph (7)) and Chapter III that are prescribed to be handled by a prefecture or prefectural governor; the same applies hereinafter) on behalf of a prefecture or prefectural governor within that city or special ward.

(2) If a city with a health center, a special ward, or its head seeks to handle administrative affairs for the private lodging business or other prescribed business pursuant to the provisions of the preceding paragraph, the head must hold a discussion with the prefectural governor about handling the administrative affairs before handling them.

(3) The head of a city with a health center or a special ward who has had a discussion with the prefectural governor pursuant to the provisions of the

preceding paragraph must make a public notice to that effect, pursuant to Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare, by 30 days before the date on which the city, ward, or head starts to handle the administrative affairs for the private lodging business or other prescribed business.

(4) If a city with a health center, a special ward, or its head handles administrative affairs for the private lodging business or other prescribed business pursuant to the provisions of paragraph (1), the handing over of the administrative affairs for the private lodging business or other prescribed business and other necessary particulars are specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare.

(Delegation of Authority)

Article 69 A part of the authority of the Minister of Land, Infrastructure and Transport provided for in this Act may be delegated to the heads of local branch departments pursuant to the provisions of Order of the Ministry of Land, Infrastructure and Transport.

(Delegation to Ministerial Orders)

Article 70 Beyond what is provided for in this Act, particulars necessary for the implementation of this Act are prescribed by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare, by Order of the Ministry of Land, Infrastructure, Transport and Tourism, or by Order of the Ministry of Health, Labour and Welfare.

(Transitional Measures)

Article 71 If an order is enacted, amended or repealed under this Act, the order may provide for necessary transitional measures (including transitional measures relating to penalties) to the extent considered reasonably necessary in connection with that enactment, amendment or repeal.

Chapter VI Penal Provisions

Article 72 Any person who falls under one of the following items is punished by imprisonment with work for not more than one year or a fine of not more than one million yen, or both:

- (i) a person who runs a private lodging management business in violation of the provisions of Article 22, paragraph (1);
- (ii) a person who has obtained registration referred to in Article 22, paragraph (1) or Article 46, paragraph (1) by wrongful means; or

(iii) a person who has another person run a private lodging management business or private lodging intermediary business in violation of the provisions of Article 30 or 54.

Article 73 Any person who falls under one of the following items is punished by imprisonment with work for not more than six months or a fine of not more than one million yen, or both:

- (i) a person who makes a false notification when submitting the notification referred to in Article 3, paragraph (1); or
- (ii) a person who violates an order under Article 16, paragraph (1) or (2).

Article 74 Any person who violates an order under Article 42, paragraph (1) or Article 62, paragraph (1) is punished by imprisonment with work for not more than six months or a fine of not more than 500,000 yen, or both.

Article 75 Any person who violates the provisions of Article 11, paragraph (1) or Article 12 is punished by a fine of not more than 500,000 yen.

Article 76 Any person who falls under one of the following items is punished by a fine of not more than three hundred thousand yen:

- (i) a person who fails to give a notification under Article 3, paragraph (4), Article 26, paragraph (1), Article 50, paragraph (1), or Article 55, paragraph (1), or gives a false notification;
- (ii) any person who violates the provisions of Article 8, paragraph (1) (including as applied mutatis mutandis pursuant to Article 36), Article 13, Article 37, paragraph (1) or (2), Article 39, or Article 60, paragraph (1);
- (iii) any person who fails to make a report under Article 14 or makes a false report;
- (iv) any person who violates an order under Article 15, Article 41, paragraph (1) or (2), Article 55, paragraph (2), or Article 61, paragraph (1);
- (v) any person who fails to make a report under Article 17, paragraph (1), Article 45, paragraph (1) or (2), or Article 66, paragraph (1), or makes a false report, or refuses, obstructs, or evades an inspection under these provisions, or fails to answer or makes a false answer to a question under these provisions;
- (vi) any person who makes representations that are significantly different from the actual facts or representations that mislead persons into believing that they are significantly better or more advantageous than they are in reality, in violation of the provisions of Article 31;
- (vii) a person who intentionally fails to state a fact or provides false information in violation of Article 32 (limited to the part pertaining to item

- (i) or Article 57 (limited to the part pertaining to item (i));
- (viii) a person who fails to prepare books, fails to make entries in books or makes a false entry in books, or fails to keep books in violation of the provisions of Article 38;
- (ix) a person who has failed to make public the terms and conditions of the private lodging intermediary business in violation of the provisions of Article 55, paragraph (4);
- (x) a person who has failed to make a publicly notice on fees in violation of the provisions of Article 56, paragraph (1); or
- (xi) a person who has received fees in excess of the fees for which public notice has been made pursuant to the provisions of paragraph (1) of that Article, in violation of the provisions of Article 56, paragraph (2).

Article 77 Any person who falsely states particulars specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Health, Labour and Welfare as prescribed in Article 8, paragraph (1) in violation of the provisions of Article 8, paragraph (2) (including as applied mutatis mutandis pursuant to Article 36) is punished by penal detention or a petty fine.

Article 78 If a representative of a corporation or an agent, employee or other worker of a corporation or individual commits an offence under Articles 72 through 76 with regard to the business of that corporation or individual, in addition to the offender being punished, that corporation or individual is punished by the fine prescribed in the relevant Articles.

Article 79 Any person who fails to give a notification under Article 3, paragraph (6), Article 28, paragraph (1) or Article 52, paragraph (1) or gives a false notification is punished by a civil fine of up to 200,000 yen.

Supplementary Provisions [Extract]

(Enforcement Date)

Article 1 This Act comes into force as from the date specified by Cabinet Order within a period not exceeding one year from the date of promulgation; provided, however, that the provisions of the following Article and Article 3 of the Supplementary Provisions come into force as from the date specified by Cabinet Order within a period not exceeding nine months from the date of promulgation.

(Preparatory Action)

Article 2 (1) Any person that seeks to run a private lodging business may give notification to the prefectural governor (or to the head of a city with a health center or a special ward if the head of the city or special ward has given public notice under the first sentence of paragraph (3), pursuant to the provisions of the first sentence of paragraph (3) and paragraph (4), and 30 days have passed from that day) in accordance with Article 3, paragraphs (2) and (3) even before the date of enforcement of this Act (hereinafter referred to as the "date of enforcement"). In this case, the person that has given the notification is deemed to have made the notification referred to in paragraph (1) of that Article on the enforcement date.

(2) A person that seeks to obtain registration referred to in Article 22, paragraph (1) or Article 46, paragraph (1) may file an application in accordance with the provisions of Article 23 or Article 47 even before the enforcement date.

(3) If a city with a health center, a special ward, or its head seeks to handle administrative affairs for the private lodging business or other prescribed business pursuant to the provisions of Article 68, paragraph (1), the head may hold a discussion with the prefectural governor and make a public notice to the effect that the city, special ward, or head starts to handle the administrative affairs, in accordance with paragraphs (2) and (3) of that Article even before the effective date. In this case, the public notice in question is deemed to be made pursuant to the provisions of paragraph (3) on the date of enforcement.

(4) The public notice referred to in the first sentence of the preceding paragraph is made at least 30 days before the enforcement date.

(Delegation to the Cabinet Order)

Article 3 Beyond what is provided for in the preceding Article, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Examination)

Article 4 When three years have passed since this Act came into force, the government is to review the state of enforcement of this Act and, if it finds it necessary, take necessary measures based on the results of the review.

Supplementary Provisions [Act No. 37 of June 14, 2019] [Extract]

(Enforcement Date)

Article 1 This Act enters into force on the day on which three months have passed from the date of promulgation; provided, however, that the provisions listed in the following items come into force as from the date specified in the items:

(i) Article 40, Article 59, Article 61, Article 75 (limited to the provisions amending Article 34-20 of the Child Welfare Act), Article 85, Article 102, Article 107 (limited to the provisions amending Article 26 of the Act on the Protection of Children Adopted Through Private Adoption Agencies), Article 111, Article 143, Article 149, Article 152, Article 154 (limited to the provisions amending Article 25, item (vi) of the Act on Real Estate Appraisal), Article 168, the following Article and the provisions of Article 3 and Article 6 of the Supplementary Provisions: date of promulgation.

(Transitional Measures Concerning Acts of Administrative Agencies)

Article 2 Prior laws continue to govern the effect of the dispositions and other actions that an administrative agency has made in accordance with the provisions of laws before their amendment by this Act or in accordance with the provisions of orders under those laws (the provisions in question are limited to those concerning disqualification or providing for the measures concerning other restrictions on rights), and the effect of disqualification that has been rendered under those provisions, before the date of enforcement of this Act (or in cases of the provisions listed in the items of the preceding Act, before the date of enforcement of those provisions; hereinafter the same applies in this Article and the following Article).

(Transitional Measures on Penalties)

Article 3 Prior laws continue to govern the applicability of penal provisions to conduct that a person engages in before this Act comes into effect..

(Examination)

Article 7 Approximately one year after the promulgation of this Act, the government is to review the provisions in the Companies Act (Act No. 86 of 2005) and the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) that restrict the qualifications of officers of corporations on the grounds that they are adult wards or persons under curatorship, and based on the results, delete those provisions or take other necessary legislative measures.