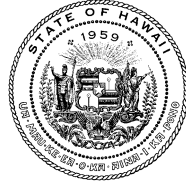


SB519

Requires that a transient accommodations tax certificate of registration number and address of each transient accommodation and time share vacation unit be conspicuously displayed on all internet advertisements for transient accommodations and time share vacation units. Makes it a criminal offense for any person who fails to conspicuously display the registration number and address on internet advertisements and assesses escalating fines for subsequent violations. Allows the department of taxation to increase the amount of the initial fine through rule making. Adds single-family dwellings to the definition of "transient accommodations" in chapter 237D, Hawaii Revised Statutes.

DAVID Y. IGE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR



MARIA E. ZIELINSKI
DIRECTOR OF TAXATION

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

To: The Honorable Gilbert Kahele, Chair
and Members of the Senate Committee on Tourism and International Affairs

The Honorable Rosalyn H. Baker, Chair
and Members of the Senate Committee on Commerce and Consumer Protection

The Honorable Gilbert S.C. Keith-Agaran, Chair
and Members of the Senate Committee on Judiciary and Labor

Date: Tuesday, February 17, 2015
Time: 9:30 A.M.
Place: Conference Room 229, State Capitol

From: Maria E. Zielinski, Director
Department of Taxation

Re: S.B. 519, Relating to Taxation

The Department of Taxation (Department) appreciates the intent of S.B. 519 and provides the following information and comments for your consideration.

S.B. 519 amends Transient Accommodations Tax (TAT) law to specify that single family dwellings can be transient accommodations. This measure also requires that operators of transient accommodations and plan managers of resort time share vacation plans display their TAT registration number on any online advertisements. Criminal penalties are imposed for violations of the requirements set forth by this measure. S.B. 519 is effective upon approval.

The Department does not object to the inclusion of single family dwellings in the definition of "transient accommodations," but notes that this amendment is unnecessary because they are already clearly subject to TAT if furnished in exchange for gross rental income. The Department also does not object to the measure's penalties for failure to display TAT registration numbers. However, the Department notes that Act 326, Session Laws of Hawaii 2012 (Act 326), already requires display of TAT registration numbers and sets forth penalties.

Thank you for the opportunity to provide comments.



Hawai'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
kahua pa'a web hawaiiitourismauthority.org

David Y. Ige
Governor

Ronald Williams
Chief Executive Officer

Testimony of
Ronald Williams
President and Chief Executive Officer
Hawai'i Tourism Authority
on
S.B. No. 519
Relating to Transient Accommodations
Senate Committee on Tourism and International Affairs
Senate Committee on Commerce and Consumer Protection
Senate Committee on Judiciary and Labor
Tuesday, February 17, 2015
9:30 a.m.
Conference Room 229

The Hawaii Tourism Authority opposes S.B. 519, which requires the operator of a transient accommodation or time share plan manager advertising on the Internet to include the address of the transient accommodation and the TAT certificate number in the advertisement.

We prefer, instead, S.B. 1237, which takes a more comprehensive approach to regulate transient vacation rentals.

Mahalo for the opportunity to offer these comments.

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATION, Tax on single family dwelling

BILL NUMBER: SB 519

INTRODUCED BY: L. Thielen

BRIEF SUMMARY: Amends HRS section 237D-1 to amend the definition of “transient accommodation” to include single family dwellings which are used as vacation rentals.

Makes nontax amendments relating to internet advertising of vacation rentals.

EFFECTIVE DATE: Upon approval

STAFF COMMENTS: This measure is aimed at reducing the number of illegal vacation rentals by including single family dwellings in the definition of “transient accommodation,” but it is questionable why multiple family dwellings are not included. The Department of Taxation, we understand, currently enforces the law with no exception for single family or multiple family dwellings, so it also is questionable why this change is needed.

Digested 2/13/15



Board of Directors

Sherry Broder, Esq.
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Nathan Nelson, Esq.
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Mike Webb

Executive Director

Victor Geminiani, Esq.

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting SB 519 Relating to Taxation
Senate Committee on Tourism and International Affairs
Senate Committee on Commerce and Consumer Protection
Senate Committee on Judiciary and Labor
Scheduled for Hearing Tuesday, February 17, 2015, 9:30 am, Room 229

Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit law firm created to advocate on behalf of low-income individuals and families in Hawai'i on legal and policy issues of statewide importance. Our core mission is to help our clients access to the resources and fair treatment they need to realize their opportunities for self-achievement and economic security.

Thank you for the opportunity to testify in **support** of Senate Bill 519, which would help reduce the number of illegal vacation rentals by requiring all transient accommodations and timeshare vacation units post their TAT certificate of registration numbers. As advocates for affordable housing, Hawai'i Appleseed believes that all transient accommodations should be properly authorized and regulated to prevent further reductions in the islands' housing inventory.

Hawai'i is in the midst of a severe housing shortfall, with rental units constituting the greatest need. This shortage stems from a variety of factors, but illegal vacation rentals are likely reducing the amount of housing inventory available for residents. For example, there are only 828 authorized vacation rentals on Oahu, according to the City & County of Honolulu Department of Planning and Permitting. Yet the Hawai'i Tourism Authority's December 2014 report on vacation rentals found a total of 4,411 units advertised online (Honolulu Civil Beat, "Report Indicates Oahu's Illegal Vacation Rentals Outnumber Permitted Ones," Dec. 24, 2014). In a state that needs well over 25,000 housing units by 2016 to meet demand, we must take a serious look at how unauthorized vacation rentals may be contributing to Hawai'i's housing inventory shortfall and control their proliferation. SB 519, by requiring owners to post registration numbers and penalizing those who fail to do so, would deter unauthorized vacation rentals and hopefully encouraging their usage as long-term rentals instead.

Again, thank you for an opportunity to testify in support of SB 519. We appreciate the Legislature's consideration of how best to regulate transient accommodations to ensure that we do not lose housing inventory to illegal vacation rentals.

From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: prentissc001@hawaii.rr.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Wednesday, February 11, 2015 10:16:36 PM

SB519

Submitted on: 2/11/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Charles Prentiss	Kailua Neighborhood Board	Support	No

Comments: The State Tax Department has had difficulty enforcing the TAT tax on vacation rentals. This is a simple measure to assist them in performing that task.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair
Senator Brian T. Taniguchi, Vice Chair

COMMITTEE ON JUDICIARY AND LABOR

Senator Gilbert S.C. Keith-Agaran, Chair
Senator Maile S.L. Shimabukuro, Vice Chair

Aloha Chairs Baker and Keith-Agaran and Committee Members:

I strongly support SB 519 Relating to Taxation which would require a transient accommodations tax certificate of registration number and address of each transient accommodation and time share vacation unit be conspicuously displayed on all internet advertisements for transient accommodations and time share vacation units.

This will assist the Department of Planning and Permitting of the City and County of Honolulu in their enforcement efforts against illegal Transient Vacation Rental Units.

The illegal units are affecting the quality of life in our residential communities and are contributing to the lack of affordable rental units – I have several friends who have lost their housing when the owners decided to turn their properties into TVUs. As the City and County of Honolulu is not currently issuing permits, these units are illegal.

Your support would be greatly appreciated and will go a long way to solving this problem on our island.

Malama aina,

Kathleen M Pahinui
Member of Save our North Shore Neighborhoods, Waialua



Maui Hotel & Lodging

ASSOCIATION

Testimony of

Lisa H. Paulson

Executive Director

Maui Hotel & Lodging Association

on

SB 519

Relating To Taxation

COMMITTEE ON TOURISM AND INTERNATIONAL AFFAIRS

COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Tuesday, February 17, 2015, 9:30am

Conference Room 229

Dear Chairs Kahele, Espero, Baker; Vice Chairs English, Taniguchi and Members of the Committees,

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes over 150 property and allied business members in Maui County – all of whom have an interest in the visitor industry. Collectively, MHLA’s membership employs over 20,000 local residents and represents over 19,000 rooms. The visitor industry is the economic driver for Maui County. We are the largest employer of residents on the Island - directly employing approximately 40% of all residents (indirectly, the percentage increases to 75%).

MHLA **supports** SB 519 that requires that a transient accommodations tax certificate of registration number and address of each transient accommodation and time share vacation unit be conspicuously displayed on all internet advertisements for transient accommodations and time share vacation units. Makes it a criminal offense for any person who fails to conspicuously display the registration number and address on internet advertisements and assesses escalating fines for subsequent violations. Allows the department of taxation to increase the amount of the initial fine through rule making. Adds single-family dwellings to the definition of "transient accommodations" in chapter 237D, Hawaii Revised Statutes.

MHLA **supports** this measure, because it helps to define required registration and advertising; defines violations and penalties; and it amends the definition of “transient accommodations” to include single family dwellings. This will help the State and counties better manage the overall enforcement of transient accommodations tax on transient vacation rentals, which will help reduce the tax burden on local residents. With advances in technology and the popularization of the “sharing community” Hawaii has witnessed a growing number of vacation rentals by owners (VRBO’s), most of which are not operating within a legal capacity. By allowing the Department of Taxation to create a comprehensive database of transient accommodations through a registration process and enforcement of penalties for noncompliance, this measure is an important step in regulating and bringing fair equity to all accommodation options within the State of Hawaii.

Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: adaeschen@yahoo.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Monday, February 16, 2015 5:50:37 AM

SB519

Submitted on: 2/16/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Ada Eschen	Individual	Oppose	No

Comments: I oppose this bill and support RBOAA's position on this matter.

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: adamleamy@gmail.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Monday, February 16, 2015 8:03:43 AM

SB519

Submitted on: 2/16/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Adam Leamy	Individual	Oppose	No

Comments: Dear Members of the Committees considering SB519: I am opposed to this bill, and I would urge you to oppose it as well. Myriad bills have been provided to Hawaii legislators on the issue of transient accommodations, and are now progressing through the legislature. It is, in this company, that SB519 must also be judged. As the Hawaii Tourism Authority notes in its 2013 Annual Visitor Research Report, visitors to Hawaii are choosing hotel accommodation in smaller numbers each year. This is true certainly of the US West and East markets, and of the Canadian market. Not surprisingly, many of the bills advanced to Hawaii legislators are aimed at eliminating transient accommodation, i.e., the condo rental accommodation option, in order to create a hotel-room monopoly in Hawaii. In the same vein, Hawaii has been unsuccessful in identifying and countering illegal vacation rentals. Consumers' declining choice for hotels accommodation on Hawaii is surely problematic for hotels unable to compete with this global tourism consumer preference, and the state's inability to deal with its assertion of illegal vacation rentals may well be an issue for the state. The solutions to both challenges matter not a whit to Canadians who have invested in the state and operate legal vacation rental properties, unless these solutions violate the protections and commitments that Hawaii is required to uphold for Canadian cross-border investors under the North American Free Trade Agreement (NAFTA). Many of the Canadians who have invested in Hawaii have done so through the opportunities and protections for cross-border investment created by the North American Free Trade Agreement (NAFTA). As legislators will be aware, NAFTA began on January 1, 1994, and from its start, removed most barriers to trade and investment among the United States, Canada, and Mexico. As NAFTA makes clear, "No Party may impose or enforce . . . in connection with the establishment, acquisition, expansion, management, conduct or operation of an investment of an investor of a Party or of a non-Party in its territory . . . [a requirement] to purchase, use or accord a preference to goods produced or services provided in its territory, or to purchase goods or services from persons in its territory. . . ." That so many of the Hawaii bills achieve this violation of NAFTA requires that one include in their array, SB519. And it's the cumulative intent of these bills that also violates Hawaii's commitments and obligations under NAFTA. There are a great many bills this session that relate to transient accommodation, either forcing requirements on operators, and in some bills, removing them from other

operators. NAFTA anticipated such “fingers on the scale” and “lack of clean hands” in advancing singular and particularly multiple laws or regulations which, individually or collectively undermined its commitment and purpose to end barriers to trade and investment, i.e., laws or regulations or other policy structures that were disguised efforts to limit or restrict investment and trade. To be clear, NAFTA notes at Chapter 11 “Performance Requirements,” no party to NAFTA, i.e., Hawaii, may offer “[A] disguised restriction on international trade or investment.” The blizzard of bills in the Hawaii legislature on transient accommodation comprise just such a restriction when examined as a collective of measures. They are, quite simply, a disguised restriction on Canadians’ trade with and investment in Hawaii. Regrettably, SB519 is caught up in the juggernaut of bills introduced this session related to transient accommodation. Some aim to create a hotel-room monopoly in the state. Others aim to nationalize owners’ property and award its operation and management to those selected by the state. Others, still, so condition and burden investors’ operation and management of their investments in the state that they will abandon the marketplace. All of them, together, comprise a disguised restriction on Canadians’ trade with and investment in Hawaii, and in so doing, violate NAFTA and Canadians opportunities and protections under it. Sadly, in running with these other hounds, SB519 has picked up fleas. I don’t doubt that there are issues that trouble Hawaii. Many jurisdictions these days face challenges across a range of policy areas. Nor am I unsympathetic to efforts to address such challenges. But the solutions available to Hawaii must stand the test of NAFTA compliance. Bill SB519, standing as it does with these other Hawaii bills is part of an approach that offers disguised restriction on Canadians’ trade or investment with the US. Put simply, per NAFTA, Hawaii may not “impose or enforce” such approaches. I urge you and your colleagues to oppose SB519 and all bills like it that cumulatively offer such an affront to such a significant trade agreement. I hope that in considering SB519 and other bills like it, you, your committee colleagues, and all Hawaii legislators will fight to ensure balance, clarity, and NAFTA conformity are the hallmarks of all matters legislative, and that you will work to reject or amend such legislative proposals until they embrace and uphold these important standards. With kind regards, Adam

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February 16, 2015

Honourable Gilbert Kahele, Chair, and Members of the Senate Committee on Tourism and International Affairs.

Mahalo for the opportunity to testify.

I oppose SB519

I oppose this bill because of the potential for dangerous unintended consequences.

I am the owner of a legally registered and tax paying transient vacation rental (TVR) on the island of Maui. I purchased my condo in a resort zone in Maui in 2001 for two purposes – the make it possible to spend more time in this very beautiful state, and to earn income for my retirement which will start in June of this year.

I support bills that will assist the counties and the State in enforcing the current laws for transient vacation rentals. Because of this, I support the provision in SB201 that establishes a database which would aid the State and counties to track TVRs under their jurisdiction.

The danger in SB519 comes from the use by most owners of TVRs, like me, of an online calendar of their TVR's availability. This simplifies the process of finding an appropriate vacation rental for our guests. Currently the website on which I advertise lists my Hawaiian taxpayer ID (in compliance with Act 326) and my name and phone number in addition to my updated calendar. Although I advertise the condo complex in which my TVR is located, I do not reveal, on my webpage, the exact unit #. If a potential guest requests that information from me through an email or telephone communication and I determine that they are a legitimate potential guest, I supply it to him/her individually and it is included in the contract they sign. Therefore, once a guest is determined to have a legitimate reason for knowing the address they receive the information. Being required to post my address on all websites where I advertise and where my calendar is also available exposes my guests and me to those who 1) would engage in criminal activity at the expense of my guests who are expected to be traveling with expensive cameras, computers, and other electronic devices and/or 2) use information about vacant periods to unlawfully gain access and squat in my property. Removing someone who is "squatting illegally" is a difficult and expensive process.

Mahalo for your consideration and the opportunity to provide testimony.

Dear Legislators,

My name is Bonnie Aitken and I own a TVR on Kauai. I am a law abiding self- manager of my condo and presently oppose SB519 as written and offer the following suggestions for your consideration.

I respectfully request that the bill be amended in such a way that the databases not reveal specific addresses and owner's names when searched by the general public. Such information should be restricted to those in authority.

Many TVR owners do not advertise their property addresses in order to prevent the properties from being targets of criminal activity, both physical and cyber. For example, there have been numerous Craig's List scams which use such knowledge to harm both the consumer and the TVR owner. As our calendars are published on line with VRBO and Home Away, a thief will know when a property is vacant, making it an easy target for vandalism and theft.

I thank you for the opportunity to provide testimony and hope it will be of use to you while considering SB519.

From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: carabirk@gmail.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Sunday, February 15, 2015 4:10:43 PM

SB519

Submitted on: 2/15/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Cara Birkholz	Individual	Oppose	No

Comments: I am a Hawaii resident, living in Kihei where I self-manage my four vacation rentals. I am a member of the Hawaii RBOAA (Rental by Owner Awareness Association) and ask you to please consider their recommendations on this bill. Mahalo for the opportunity to testify. Cara Birkholz 808-281-7934

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: geilfussc@hawaii.rr.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Saturday, February 14, 2015 9:48:07 AM

SB519

Submitted on: 2/14/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Christine	Individual	Comments Only	No

Comments: Please help our communities by passing this bill! This bill will help address the illegal activities that are negatively changing our neighborhood from residential to "commercial chaos". Greedy rule-breakers who advertise their properties for rent on vrbo, flipkey, craigslist, etc. do so at the expense of the rest of us. Illegal vacation rentals must be discouraged and this bill will help. To ignore illegal activity is to condone it, that's not right! We rely on our elected officials to ensure that existing laws are enforceable. Please help.

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: Palekaiko@hawaiiantel.net
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Sunday, February 15, 2015 9:35:23 PM

SB519

Submitted on: 2/15/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Della Halvorson	Individual	Oppose	No

Comments: I am writing to OPPOSE SB 519. I am an owner of a transient vacation rental in a condominium complex in an approved TVR-zone in Maui and operate in compliance with all relevant requirements. I am concerned that the requirement to for our unit number be conspicuously displayed on all internet advertisements is a dangerous requirement in this age of cyber-crime. We have friends that have been affected by a scam and it is devastating for all parties involved. If consumer protection is truly the intent of this bill, then I respectfully request that addresses NOT be listed as this would simply make it easier for those intending to scam guests, and may help thieves determine the best times to target a property. For privacy and guest safety, I respectfully request that the Bill be amended in such a way that the database not reveal specific addresses and owner's names when searched by the general public. I OPPOSE SB 519 as currently written. Respectfully submitted, Della Halvorson

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Joe Slabe
C312, 2531 S Kihei Road
Kihei, HI
96753
joeslabe@hotmail.com

Aloha,

I am writing to OPPOSE SB 519.

The requirement that we must list the address of our TVR on online advertisements is a huge security risk to both ourselves and to our guests.

As the victim of a Craigslist fraud involving a criminal who misrepresented herself as the owner of my condo, I can testify that this, in combination with the availability calendars already posted online, would provide all the information a potential fraudster would need.

Including the address would also indicate times when the condo is vacant and would leave us easy prey to thieves, squatters and vandals.

Many TVR owners do not advertise their property addresses in order to prevent their properties from being targets of just such criminal activity, be it physical or cyber. The security of our property and of our guests must be paramount.

Mahalo for your time and service to the people of Hawaii,

Joe Slabe

From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: sheehan.kathyharnett@gmail.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Monday, February 16, 2015 9:10:58 AM

SB519

Submitted on: 2/16/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen Sheehan	Individual	Oppose	No

Comments: I oppose SB 519. This bill creates a potential security risk for owners and guests since it requires TVR owners to list their addresses in public online advertisements. Many owners do not advertise their specific property addresses to prevent becoming targets of criminal activity including but not limited to Craigslist scams and identity theft. Such information is appropriate for those in authority but should not be automatically available to the general public unless the owner wants to put it out.

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: crumps5@sbcglobal.net
Subject: *Submitted testimony for SB519 on Feb 17, 2015 09:30AM*
Date: Saturday, February 14, 2015 2:02:11 PM

SB519

Submitted on: 2/14/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Katie Crump	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: lisamarten@hawaii.rr.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Sunday, February 15, 2015 2:59:04 PM

SB519

Submitted on: 2/15/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Marten	Individual	Support	Yes

Comments: Aloha Chair and Senators. Illegal vacation rentals are rampant in my neighborhood, which pushes up housing prices and reduces stock for people who want to buy and live in their home or to rent long term. While in some cases, owners may live on site, around me they are all offshore investors. The current penalties are so small relative to profits that they are not a deterrent. The current requirements for the DPP to issue a Notice of Violation are so onerous that few are issued. Requiring internet advertisements to include registration numbers and addresses will provide the DPP with an enforcement tool that they have requested for many years. It will allow them to be more effective in their job. Please pass SB519. Mahalo, Lisa Marten

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: marshavaughn3@att.net
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Saturday, February 14, 2015 2:20:50 PM

SB519

Submitted on: 2/14/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Marsha Vaughn	Individual	Oppose	No

Comments: Aloha, I am writing to vigorously OPPOSE bill SB519. As the owner of a single vacation rental condo in Maui, I have been compliant with the 2012 legislation to post my Tax ID# on any and all advertisements, as well as to provide the name and contact number for my local contact to all renters. That said, I have also witnessed many other owners of vacation rentals all over the world being the victims of extremely devastating criminal activities as a result of having their addresses posted online or having criminals easily able to find them through an online search. The scams include their units being rented out by others who have no relation to the owner and bilking unsuspecting tourists for money for a unit that is not available. The tourist arrives only to find the unit has not been rented to them and they have lost their vacation money to a scammer. This is happening every day! This will increase dramatically the number of complaints the state is receiving from consumers related to vacation rentals. This has clearly not been thoroughly investigated to determine the level of risk that potential visitors as well as vacation rental owners would be subject to. I respectfully request that this bill not be enacted for all of our safety. Mahalo for the opportunity to testify in this very important issue. Marsha Vaughn

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: mhubner@halehubner.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Sunday, February 15, 2015 8:30:00 AM

SB519

Submitted on: 2/15/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Matthew Hubner	Individual	Oppose	No

Comments: Dear honorable Members of the Committees involved, I am writing in opposition of SB519 and its companion Bills. I am a transient vacation rental (TVR) owner of a property on the island of Hawai'i. I follow the requirements of Act 326 and post my tax ID in my advertisements and remit my GE and TA taxes to the State of Hawaii. I too agree that those not complying to the law should be brought into compliance. However, I have a great concern regarding the requirement in this Bill that we display our property address on any advertisements. Doing such, creates a security hazard on two fronts that I can immediately think of. The first being cyber crime (craigslist scams and identity theft). The second being localized crime (theft, vandalism, etc). For these purposes alone, we like so many others do not list our property addresses with our advertisements. Many of the Bills we've seen this session seem to be aimed towards issues in more urban parts of the State and they fail to recall that there are quite a few TVRs in locations that are more rural and not immediately close to a local police station. Revealing our addresses undermines a layer of security for our guests and actually reduces consumer protection. I do not have issue with providing State Departments with our address to ensure compliance, but I respectfully request that the amendment to require us to display our address to the public be rejected. Finally, I would like to voice my opinion that I believe immediately labeling non-compliance as a criminal action is unfair. Attempts should be made to levy fines through the Departments and only should criminal action be taken if such departmental approaches fail. As I have commented so much this session, I do not believe that the current laws in place have been adequately enforced; therefore, how can more aggressive punishments and burdensome requirements be any better of a solution? Mahalo for your time and thank you for the opportunity to comment. Matt Hubner

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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TO: Members of the Committees on Tourism & International Affairs, Commerce & Consumer Protection and Judiciary & Labor

FROM: Natalie Iwasa
Honolulu, HI 96825
808-395-3233

HEARING: 9:30 a.m. Tuesday, February 17, 2015

SUBJECT: SB 519 Transient Accommodations - **COMMENTS**

Aloha Chairs and Committee Members,

Thank you for allowing me the opportunity to provide testimony on SB 201, which requires transient accommodation and timeshare vacation units to advertise their registration numbers and makes various other changes related to transient accommodations. Any time policy changes related to transient vacation rentals or bed and breakfasts comes before the Honolulu City Council, concerns are brought up about illegal units and nonpayment of taxes. I therefore appreciate that this matter is coming before the legislature.

Under the bill, **internet advertisements** are required to include the certificate of registration number. This will allow potential customers, neighbors and county administrators to determine whether a particular unit is properly registered. The bill also requires the address of the unit to be posted, which will allow real property tax records to be checked for compliance with county laws. Both of these changes would allow for greater enforcement capabilities at the county level.

The bill also includes increased fines for property owners who do not comply with the law. This is preferable to the change to class C felony that is included in SB 201.

Neal Halstead
C312, 2531 S. Kihei Road
Kihei, HI
96753
nealhalstead@yahoo.ca

I am writing to OPPOSE SB 201 and suggest amendments.

As an owner of a transient vacation rental (TVR) in Hawai'i, I support any efforts that assist the counties and State enforce the current laws for TVRs while minimizing the burdens of owners of legal rentals who have faithfully paid their General Excise (GET) and Transient Accommodations Taxes (TAT).

This Bill proposes a database will be established which would aid the State and counties to track TVRs under their jurisdiction.

I support both objectives for internal departmental purposes; however, for privacy and guest safety, I respectfully request that the Bill be amended in such a way that the database not reveal specific addresses and owner's names when searched by the general public. Such information should be restricted to those in authority.

Many TVR owners do not advertise their property addresses in order to prevent their properties from being targets of criminal activity, be it physical or cyber (i.e. Craigslist scams or other forms of identity theft). Security of our guests is paramount.

I thank you for your consideration and the opportunity to provide testimony.

Mahalo

Neal Halstead

From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: pattimak@hotmail.com
Subject: *Submitted testimony for SB519 on Feb 17, 2015 09:30AM*
Date: Saturday, February 14, 2015 6:28:21 PM

SB519

Submitted on: 2/14/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Patricia Mclaughlin	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: robstewart49@gmail.com
Subject: Submitted testimony for SB519 on Feb 17, 2015 09:30AM
Date: Sunday, February 15, 2015 9:02:19 PM

SB519

Submitted on: 2/15/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
R Stewart	Individual	Oppose	No

Comments: Please defer SB 519 Please see the Hawaii Tourism Authorities' recent report on TA operations in the state. They are able to determine how many and which type are operating by zip code. The tax department is not without means of determining who is in compliance and who is not. It is a matter of enforcement. They do not need to have addresses in advertising to catch those who are non-compliant. I.D. numbers are already required to be posted in advertising and the tax director in 2012 testified that the I.D number in advertising would be the tool they needed. Displaying addresses in advertng jeopardizes the safety of the tourist occupying the unit and easily promotes fraudulent copy ads that take advantage of the consumer. The stated goal of this bill is to remedy non-payment of TAT. This has been addressed extensively through the provisions of Act326. It is a matter of enforcement. Thank you for the opportunity to testify.

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From: mailinglist@capitol.hawaii.gov
To: [TSI Testimony](#)
Cc: svilliger@aol.com
Subject: *Submitted testimony for SB519 on Feb 17, 2015 09:30AM*
Date: Monday, February 16, 2015 8:19:01 PM

SB519

Submitted on: 2/16/2015

Testimony for TSI/CPN/JDL on Feb 17, 2015 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
steve villiger	Individual	Support	No

Comments:

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As a resident of the North shore I feel deeply hurt that no one is regulating vacation rentals. Transient vacationers come here and take up all of our parking spaces. I have to park 2 blocks away just to go home. It is so dangerous at night when I have to walk in the dark so far away from home. I fear getting raped, or mugged. There are so many cars to one vacation rental. The police comes down our streets giving us local tax paying residents parking tickets when I am off loading my groceries but pays no attention to all the illegal vacation rentals I have no parking because there are so many people staying in each house that are transients. A few of my friends that have good jobs are on the verge of becoming homeless or have become homeless because the land lord wants to vacation rent now. OUR COMMUNITY IS SUFFERING BECAUSE NO ONE EVER ENFORCES THIS MASSIVE PROBLEM. IF I GET SICK AND CANT WORK I WILL BE HOMELESS BECAUSE OF THE LACK OF PERMANENT RENTAL SPACE. THIS IS WITHOUT A DOUBT DUE TO THE INFESTATION OF VACATION RENTALS.

All my friends pay minimum of \$1000 a month to rent a room the size of a closet. With minimum wage at \$7.25 an hour you are creating a future homeless problem that will be harder to fix. Why has this issue not been addressed way sooner. Mahalo for listening and with your help we can restore a viable community once again.

HAWAI‘S AFFORDABLE HOUSING CRISIS



Hawai‘i Appleseed Center
for Law and Economic Justice
Policy Report:

July 2014

*The High Cost of Our Affordable
Housing Shortfall*



**Hawai'i Appleseed
Center for Law and
Economic Justice**

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Honolulu, Hawai'i
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INTRODUCTION

This report examines the impact of Hawai'i's extraordinarily expensive housing market on working families, who face the highest housing costs in the nation. Hawai'i's housing is not only expensive in actual dollars, but many families simply do not earn enough to afford market rents. Despite the economic downturn, rents have continued to rise, and demand for housing, including luxury units, has increased. Average rents in Hawai'i increased by 45 percent during 2005–2012, while average wages increased by only 21 percent. More and more households struggle to afford even a modest place to live in Hawai'i, which has the highest "housing wage"—the amount a full-time worker would have to earn to afford a two bedroom market rental—at \$31.54 an hour.

Hawai'i will need a total of 19,000 units by 2016 to meet the demand for low-income households, yet few affordable units are being developed to meet this need. We face the highest rate of homelessness among the states, in large part due to the lack of affordable housing. Ensuring an adequate supply of housing within our residents' means is the only way to prevent and end homelessness. Housing is the single biggest household expense, and for those living in poverty whose budgets are already stretched precariously thin, a lack of affordable housing can place them at risk of homelessness. Many who are already experiencing homelessness have no options for permanent affordable housing. For those who have been chronically homeless, stable housing is a critical foundation for overcoming the underlying issues that led to their homelessness.

Affordable housing matters in our community. It affects us all. Without it, workers who are critical to our economy cannot afford to live in Hawai'i. The ability to afford housing impacts far more than just having a decent, safe place to live. Affordable housing is associated with better health, childhood development, and educational achievement because it frees up a family's budget for more nutritious food, access to medical care, and quality childcare, and it provides stability where family members can thrive.

Decent, affordable housing has long been a concern in Hawai'i, but the magnitude of this crisis has only continued to grow. This report illustrates how dire Hawai'i's affordable housing shortage is and emphasizes the need for immediate action to ensure that all families can live in safe, decent, and affordable housing.

Defining Affordable Housing

Affordable housing: Housing is considered affordable when housing costs are 30% or less of a household's income.¹

Cost burden: Spending more than 30% of income on housing is considered a cost burden.

Severe cost burden: Spending more than 50% of income on housing is considered a severe cost burden.

Fair market rent: The amount of rent one is likely to pay for an apartment of a certain size in a particular market.

Housing wage: The amount a household must earn to afford a fair market rent.

HOUSING COST BURDENS

Hawai'i is notorious for having the highest cost of living in the U.S., and shelter is the single biggest household expenditure.² In a market with some of the most expensive for-sale homes in the country, 42 percent of the state's households must rent—the fourth highest rate in the country.³ Yet even renting remains a struggle for many of these households: fair market rent for a two-bedroom apartment exceeds the national average by 67 percent.⁴ Fifty-four percent of all renter households are cost-burdened in Hawai'i—the second highest rate in the country.⁵

Rents + Wages ≠ Affordable Housing

\$1,640	Fair market rent (FMR) for a two-bedroom apartment in Hawai'i.
\$65,600	Annual income needed to afford a two-bedroom apartment at fair market rent, or \$5,467 in earnings per month.
\$31.54	“Housing wage” needed to afford a two-bedroom apartment at FMR.
\$13.86	Estimated mean hourly wage for renters in Hawai'i .
91	Number of hours per week someone earning the mean renter hourly wage would need to afford a two-bedroom apartment at FMR.
4.4	Full-time minimum wage jobs (\$7.25/hr.) needed to afford a two-bedroom unit at FMR—the equivalent of 174 hours per week, 52 weeks per year.
\$721	Affordable rent for a worker earning the average renter's hourly wage.

Out of Reach 2014, National Low Income Housing Coalition

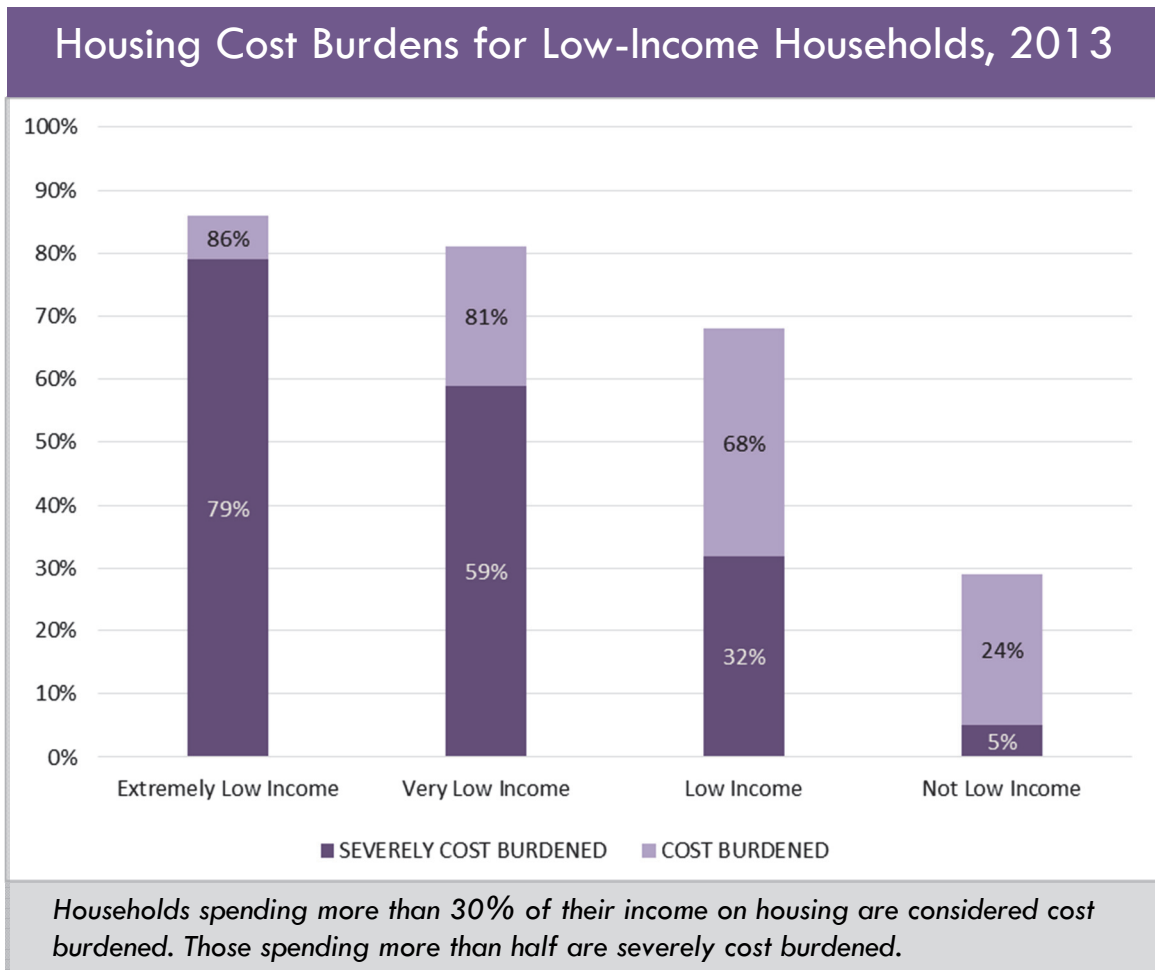
Defining Low-Income Households

In the context of affordable housing, households of various income levels are categorized based on the Area Median Income (AMI). Low-income households are separated into three categories, as shown by the income schedule for the state of Hawai'i.⁶

Limit	1 person	2 people	4 people	8 people
Extremely low-income (30% AMI)	\$16,200	\$18,550	\$23,150	\$30,550
Very low-income (50% AMI)	\$27,000	\$30,900	\$38,600	\$50,950
Low-income (80% AMI)	\$43,250	\$49,400	\$61,750	\$81,500

HOUSING COST BURDENS

The lack of affordable housing hits the low-income population in Hawai'i the hardest. The situation is bad for most working households—nearly one out of three faces a severe housing cost burden—but it is worst for people in poverty. Eighty-seven percent of extremely low-income families are cost-burdened, spending more than 30 percent of their income on shelter. Almost four out of five of these households are spending more than half of their income on rent.⁷



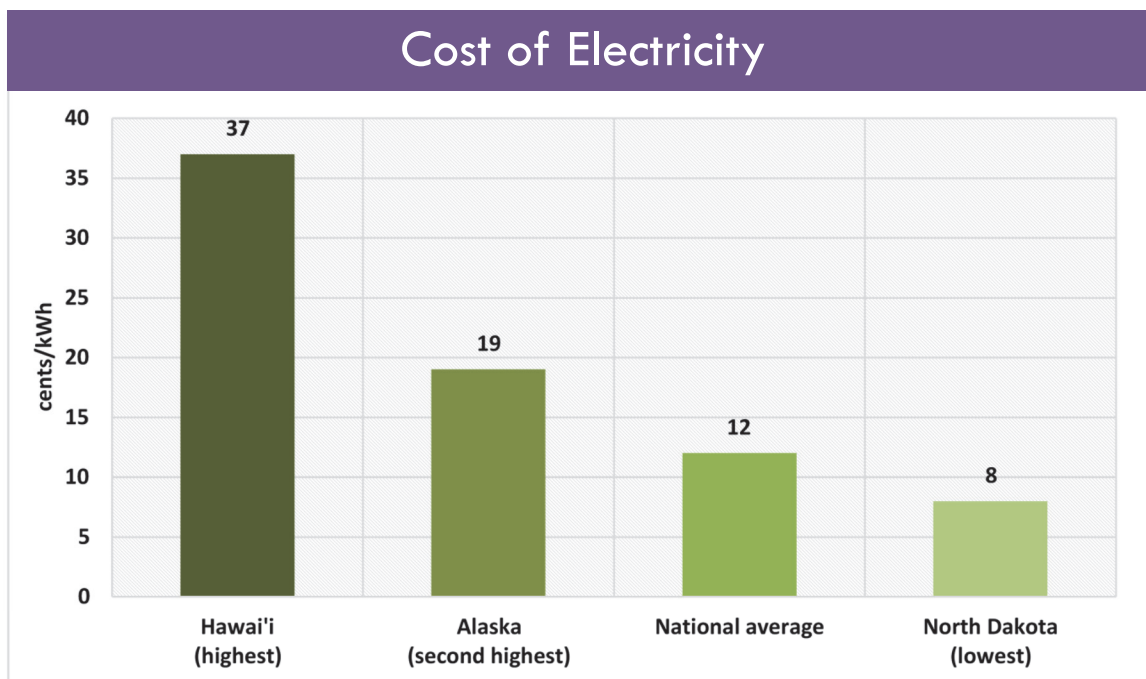
When families pay too much in rent, making ends meet becomes a constant struggle. High housing-related expenses are combined with depressed wages, heavy taxes, and high costs for food and other necessities which create nearly insurmountable barriers for many Hawai'i residents. With so little income left after paying high housing costs, families are forced to cut corners. These rent-overburdened families are more likely to face challenges paying for nutritious and sufficient food and make difficult tradeoffs, particularly in health care and transportation expenditures.⁸ Both children and adults who lack affordable housing have poorer health indicators.⁹ Families may be forced to move into substandard or crowded housing. In 2011, 13 percent of Hawai'i's households were doubling up with friends or family due to economic necessity, and a full 30 percent were either doubled-up or crowded.¹⁰

HOUSING COST BURDENS

Utility Costs



The cost of utilities levies a heavy burden on households. Hawai'i's cost of electricity for the residential sector is the highest in the nation at 37 cents per kilowatt hour, which is more than three times the national average of 12 cents and twice as much as the cost of electricity in Alaska, the second most expensive state.¹¹



Transportation Costs

Because many people sacrifice proximity to work in order to find affordable housing, including the costs of commuting provides a more comprehensive metric of affordability. When housing combined with transportation costs exceeds 45 percent of a household's income, they are considered cost-burdened.

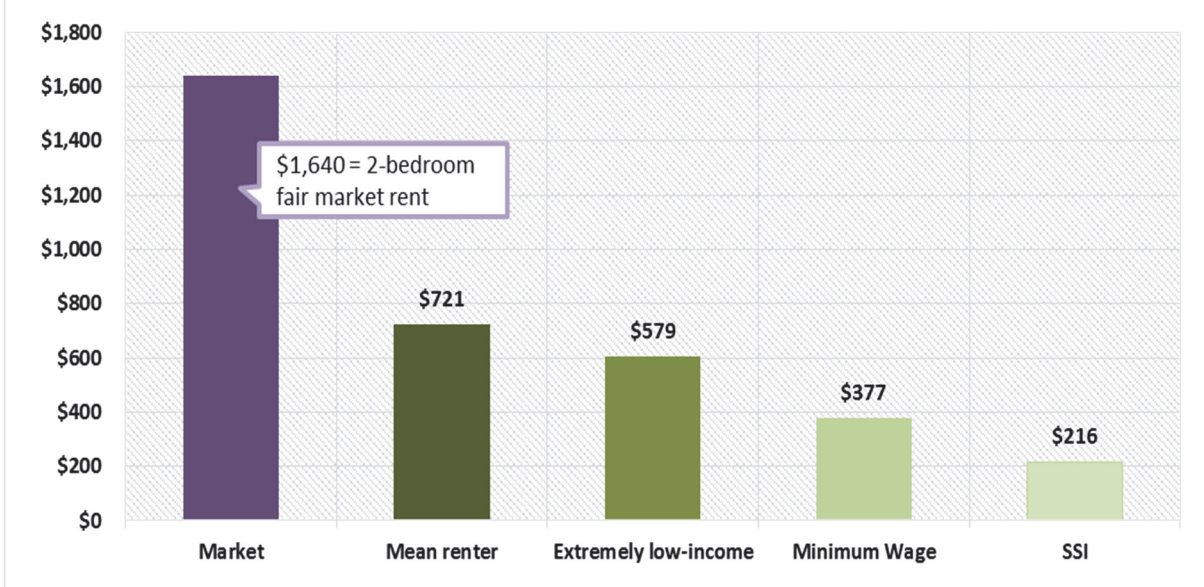


Virtually all moderate-income households on Kauai, Hawai'i, and Maui are cost-burdened by housing and transportation expenses.

When Honolulu's transportation costs are figured in, the average expenditure for housing and transportation costs is 61 percent of income. For moderate-income households, three out of four moderate income households in Honolulu are cost-burdened when considering both housing and transportation. On other islands, virtually *all* moderate income households are cost-burdened (Hawai'i 99%; Maui 98%; Kauai 100%). These cost burdens are no surprise: Hawai'i's transportation costs are the highest in the country, at 30 percent above the national average.¹²

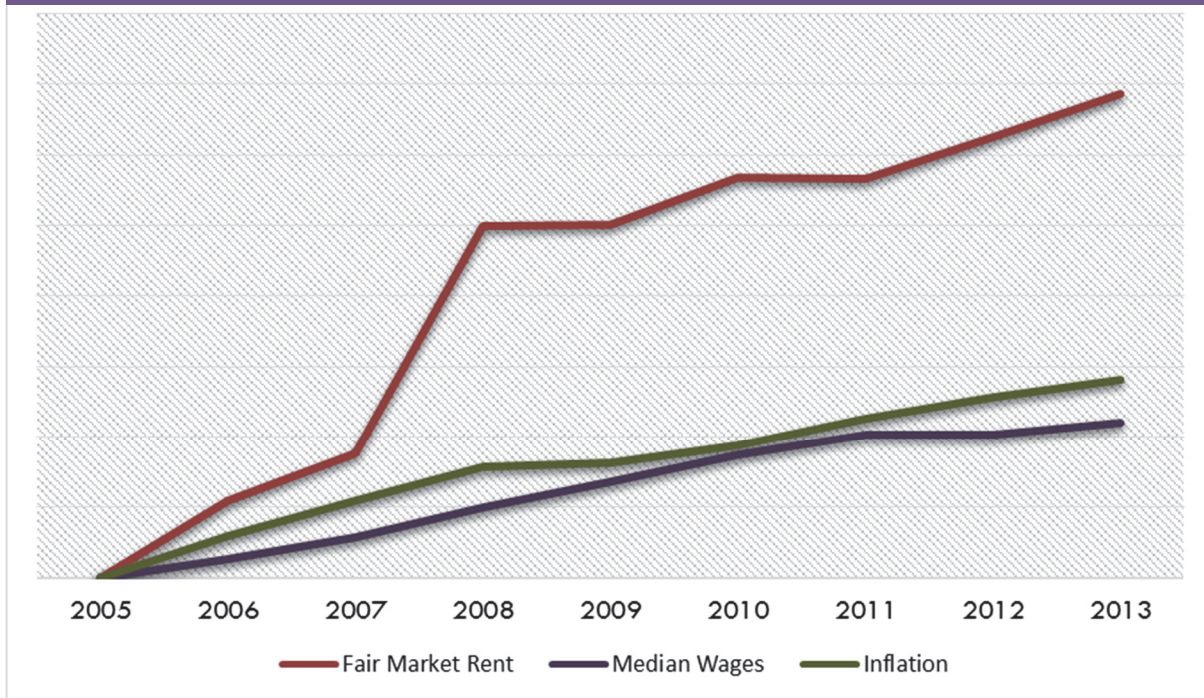
THE AFFORDABILITY GAP

Market vs. Affordable Rents by Income Level



Market rents are far from affordable for the average wage earner. For extremely low-income households, minimum wage earners, and Supplemental Security Income recipients, affordable housing is even further out of reach.¹³ In the meantime, Fair Market Rents have risen faster than both wages and even the rate of inflation, an increase that is particularly acute in Honolulu, which has the highest rents in the state.¹⁴

Honolulu Rents Outpacing Wages and Inflation¹⁴



THE AFFORDABILITY GAP

A lack of affordable housing affects not only households living close to poverty—many of Hawai'i's essential workers struggling to find affordable rentals, let alone purchase a home. Many professionals such as teachers and police officers cannot afford fair market rent for a two-bedroom apartment, while those in the service sector earn less than half of the housing wage.

WORKERS PRICED OUT

The average salaries of workers critical to Hawai'i's economy are not high enough to afford a two-bedroom apartment without spending more than 30% of their income.

Mean Annual Salaries



\$65,600

Annual income needed to afford a two-bedroom apartment at fair market rent.



\$54,890

Teacher



\$57,740

Police Officer



\$49,820

Construction Worker



\$28,930

Restaurant Server



\$31,740

Housekeeper



\$32,100

Home Health Aide



\$53,000

Firefighter



\$25,610

Retail Salesperson

\$1,640

Fair market rent for a two-bedroom apartment in Hawai'i.



Sources: National Low Income Housing Coalition and Bureau of Labor Statistics

STRUGGLING WITH HOUSING COSTS

Why Families Struggle to Find and Maintain Stable Housing

Barriers to housing: Poor credit and a history of eviction are poverty-related challenges that limit households' affordable housing options. Landlords often refuse to rent to individuals with criminal records. In addition to requiring the first month's rent and a security deposit up front, many landlords require that a prospective tenant's income each month be two to three times the monthly rent.

Remaining housed: Nearly one out of three of households in Hawai'i are considered asset poor, meaning that they do not have sufficient assets that can be easily liquidated and used to survive at the poverty level for three months in the absence of other income.¹⁵ Families who experience unemployment, a medical emergency, or other financial crises can lose their homes as they are unable to pay the rent.

Highest cost of living: Hawai'i has the highest cost of living among the states, at nearly 60 percent above the national average. Groceries, housing, utilities, and transportation are all the most expensive in the country.¹⁶ Honolulu, where homelessness and the affordable housing shortfall are most acute, is the most expensive metro area, beating out even New York and San Francisco.¹⁷

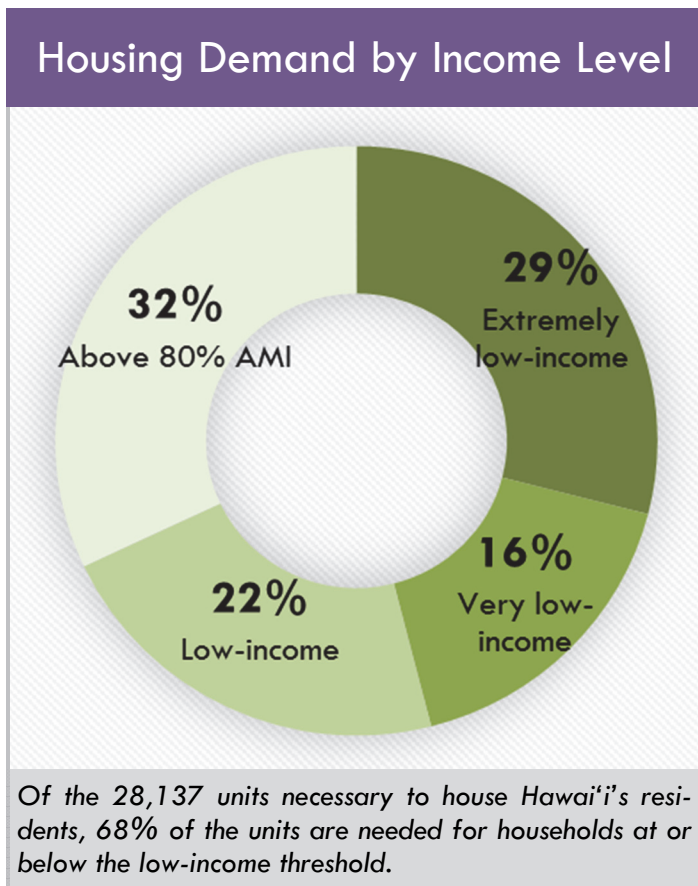
Widespread poverty: Hawai'i has the ninth highest rate of poverty in the country, with over 17 percent of residents struggling in poverty.¹⁸

Depressed wages: Hawai'i has been consistently ranked the "worst state to make a living." According to a comprehensive analysis by Moneyrates.com, our 2012 adjusted average income is just \$22,394.¹⁹

Heavy taxes: Hawai'i is the fourth worst state in the nation in terms of taxing low-income people.²⁰ Due in large part to the regressive nature of the General Excise Tax, low-income families pay a much higher percentage of their income in taxes than those who are more well-to-do. Those with incomes in the bottom quintile (under \$17,000) pay 13 percent of their income in taxes, while the top wealthiest 1 percent of households pay only 8 percent.²¹ The General Excise Tax also drives up rental costs, while the low-income household renters tax credit, intended to alleviate the high cost of housing, has not been adjusted since 1981—not even for inflation.

HOUSING NEEDS UNMET

The number of affordable and available housing units in Hawai'i does not come close to meeting the need for these units, especially for low-income households. The 2011 Hawai'i Housing Planning Study found that between 2012 and 2016, the state will need at least 28,000 units to meet the total housing demand. Two-thirds of overall demand—approximately 19,000 units—is from households who are considered low-income or below.²² Yet on Oahu, there aren't even enough units being developed to accommodate overall population growth, creating a shortfall of 2,000 units annually.²³ Exacerbating the problem, many new units are for the high end of the market and appeal to non-resident buyers as vacation or investment properties.



Rental housing is particularly critical for low-income households, who often cannot save for down payments or secure a mortgage. Yet few affordable rentals are being built to meet this need, and other forms of rental assistance such as public housing or vouchers have lengthy waitlists.²⁴

Total Affordable Housing Units Needed by 2016

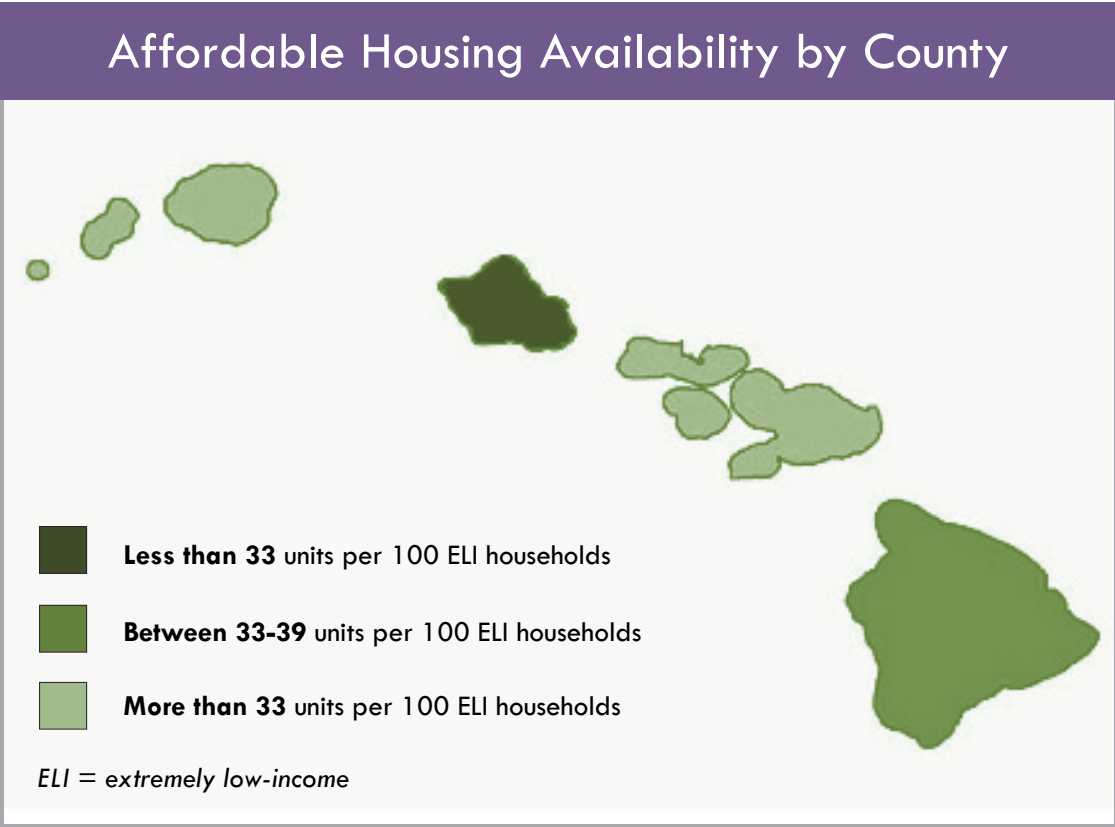
	Extremely Low Income (<30% AMI)	Very Low Income (30-50% AMI)	Low Income (50-80% AMI)	80-120% AMI	120-140% AMI
Ownership Units	2,248	1,149	2,833	1,364	1,297
Rental Units	5,888	3,742	3,388	1,493	647
Total Units	8,136	4,891	6,221	2,857	1,944

Hawai'i Housing Planning Study, 2011

HOUSING NEEDS UNMET



The unmet need clearly hits low-income populations the hardest. There are simply not enough units in an affordable range—for every 100 extremely low-income households in Hawai‘i, there are only 29 affordable and available units. Even among those units affordable to lower income households, some are actually occupied by those with higher incomes.²⁵



HOMELESSNESS

Hawai'i faces a major homelessness crisis that has shown little sign of abating. While homelessness is a complicated social phenomenon, a lack of affordable housing is a fundamental cause—and ensuring we have sufficient housing is essential to ending homelessness.

Homelessness has a profound negative impact on our entire state. Each individual experiencing homelessness challenges our community's values. Ninety-nine percent of Oahu residents see homelessness as a problem, and four out of five consider it a “major” problem, making it the top concern on the island.²⁶

Public cost estimates for unsheltered individuals living on the street range from \$35,000 to \$150,000 annually, per person. This estimate includes costs incurred by health care, including frequent emergency room visits; police and court costs; mental health and addiction services; emergency and temporary shelter; and other social services.²⁷ Our failure to end homelessness also leaves a negative impression on visitors and impacts tourism.²⁸

Of course, these financial costs pale in comparison to the unquantifiable cost of homelessness to individuals and families. No matter which numbers we use, it is clear that the number of people currently experiencing homelessness is unacceptably high, while many of those who are sheltered could easily find themselves without somewhere to live. Even a well-resourced family who experiences a reduction in income or an emergency may find themselves unable to afford their current home or find a unit they can afford in light of their economic circumstances.

Homelessness in Hawai'i

#1 Hawaii's rate of homelessness among the states.²⁹

13,639 individuals received shelter and outreach services in 2013, of whom **2,121** were chronically homeless individuals. **42%** of these were new clients.³⁰

15% of all households say that if they were forced to move out of their current housing situation, they would have nowhere to turn and would need to move to a shelter, camp, or stay in another place not intended for human habitation.³¹

30% increase in the number of people experiencing homelessness on Oahu between 2009 and 2014. There was a **37%** increase in the number of people who were unsheltered.³²

Approximately half of households in transitional shelters are employed upon entry.³³

One in four households in Hawai'i are not adequately housed and report that they are either doubling-up or are three paychecks away from homelessness.³⁴

1 in 4:

Households at Risk of Homelessness



CONCLUSION

Hawai'i has been struggling with affordable housing for years, and this challenge shows no signs of abating. Homeownership is a distant goal for many in our community, and minimal affordable rental housing is being built. Our rising land prices, high construction and development costs, and growing population are all driving up the costs of market housing. In the meantime, many of our residents struggle to pay for shelter and must make tradeoffs between housing and other necessities, double-up with another household, and at worst, risk homelessness.

Meaningful change will require dedicated efforts. To increase housing affordability and reduce homelessness, our communities, counties, and state should commit to:

- ◆ Supporting affordable housing development through the state's Rental Housing Trust Fund, which helps subsidize affordable housing developments for low-income households.
- ◆ Exploring innovative and lower-cost alternatives to traditional housing development such as micro-apartments, accessory dwelling units built by homeowners on their properties, and adaptive reuse of existing buildings.
- ◆ Preserving current affordable housing stock and increasing financial assistance for households to pay rent and remain in their homes.
- ◆ Analyzing county housing policies, infrastructure availability, affordable housing requirements on new developments, and potentially burdensome regulatory and permitting requirements.
- ◆ Creating county-wide housing plans that include both government interventions and private sector solutions to create affordable housing.
- ◆ Using opportunities such as transit-oriented development and urban infill development to create affordable housing while also reducing sprawl.
- ◆ Developing public support and political will to address affordable housing and homelessness through grassroots campaigns and public participation in the political process.
- ◆ Quickly placing individuals and families experiencing homelessness into permanent housing and adopting a Housing First approach for people experiencing chronic homelessness, which places them into permanent housing and provides services without preconditions.

Many of these solutions are not novel and have been discussed for years, but they still require adoption and implementation. Making them happen will require setting affordable housing as a top priority that informs our plans, policies, and practices.

Our growing shortfall of affordable housing inventory hurts families and our economy. As this report demonstrates, we are at a critical juncture on housing and homelessness and must resolve to meet the need for affordable housing. The future of our workers, families, children, and community depends on it.

ENDNOTES

¹ For background information on this metric, see the U.S. Census Bureau’s “Who Can Afford to Live in a Home?” by Mary Schwartz and Ellen Wilson at www.census.gov/housing/census/publications/who-can-afford.pdf.

² Cost of Living Data Series Annual Average 2013, Missouri Economic Research and Information Center, www.missourieconomy.org/indicators/cost_of_living/index.stm; *Consumer Expenditures in 2012*, U.S. Bureau of Labor Statistics, Mar. 2014, p. 3, www.bls.gov/cex/csxann12.pdf.

³ *Out of Reach 2014*, National Low Income Housing Coalition, p. 16–17, nlihc.org/oor/2014. See www.trulia.com/home_prices/ for average listing prices by state.

⁴ Based on fair market rent for a two-bedroom apartment. *Out of Reach 2014*, p. 11–12.

⁵ See Excel Appendix Tables to *The State of the Nation’s Housing 2013*, Joint Center for Housing Studies of Harvard University, www.jchs.harvard.edu/research/state_nations_housing.

⁶ 2014 Income Limits for Hawai’i, U.S. Department of Housing and Urban Development, www.huduser.org/portal/datasets/il/il2014/select_Geography.odn.

⁷ *Out of Reach 2014: Hawai’i*, National Low Income Housing Coalition, www.nlihc.org/oor/2014/HI.

⁸ *Something’s Gotta Give: Working Families and the High Cost of Housing*, Center for Housing Policy, Apr. 2005, www.nhc.org/media/documents/somethings_gotta_give.pdf.

⁹ *The Impacts of Affordable Housing on Health*, Center for Housing Policy, May 2011, www.nhc.org/media/files/Insights_HousingAndHealthBrief.pdf.

¹⁰ *Hawai’i Housing Planning Study, 2011*, prepared by SMS for the Hawai’i Housing Finance and Development Corporation, Nov. 2011, p. 11–12, files.hawaii.gov/dbedt/hhfdc/resources/HHPS2011%20study.pdf.

¹¹ Average Retail Price of Electricity to End-Use Consumers, Feb. 2014 Electric Monthly, U.S. Energy Information Administration, www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_5_6_a.

¹² Data from the H+T Affordability Index, Center for Neighborhood Technology’s Housing and Transportation, htaindex.cnt.org/map/.

¹³ *Out of Reach 2014*, p. 60.

¹⁴ Fair Market Rent for a two-bedroom apartment in Honolulu was \$1,087 in 2005; in 2013, it was set at \$1,833. Chart based on Honolulu Fair Market Rent for a two-bedroom apartment, U.S. Department of Housing and Urban Development’s Fair Market Rent Documentation System (www.huduser.org/portal/datasets/fmr.html); U.S. Bureau of Labor Statistics Consumer Price Index for Honolulu (www.bls.gov/cpi/); and median hourly wages for all occupations for Honolulu (www.bls.gov/oes/tables.htm).

¹⁵ Assets & Opportunities Scorecard: Hawai’i, Corporation for Enterprise Development, scorecard.assetsandopportunity.org/2014/state/hi.

¹⁶ Cost of Living Data Series Annual Average 2013.

¹⁷ Real Personal Income for States and Metropolitan Areas, 2008–2012, U.S. Dept. of Commerce Bureau of Economic Analysis, Apr. 2014, www.bea.gov/newsreleases/regional/rpp/rpp_newsrelease.htm.

¹⁸ *The Research Supplemental Poverty Measure: 2012*, U.S. Census Bureau, www.census.gov/prod/2013pubs/p60-247.pdf.

ENDNOTES

- ¹⁹ “Worst States to Make a Living 2013,” moneyrates.com, Apr. 1, 2013, www.money-rates.com/research-center/worst-states-to-make-a-living/2013.htm.
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