

JAN 22 2016

A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that there is an
2 affordable housing crisis in the State that is exacerbated by
3 the increasing number of visitors to the State who are using
4 single family homes and residential condominiums as short-term
5 vacation rentals. According to a recent study by the Hawaii
6 tourism authority, approximately 22,238 residential units across
7 the State are being offered on websites as available for short-
8 term vacation rentals for under thirty days. Based on the
9 Hawaii tourism authority's estimate of vacation rentals in
10 Hawaii, many of the vacation rentals available on the island of
11 Oahu are operating without a legal permit. Unauthorized short-
12 term vacation rentals significantly impact the communities in
13 which they are located, including by decreasing the availability
14 of long-term rental housing for local residents.

15 The purpose of this Act is to increase the supply of long-
16 term residential rental units for local residents by ensuring



1 that only authorized transient vacation rentals receive and post
2 a transient accommodations tax certificate of registration.

3 SECTION 2. Section 237D-4, Hawaii Revised Statutes, is
4 amended as follows:

5 1. By amending subsection (a) to read:

6 "(a) Each operator or plan manager as a condition
7 precedent to engaging or continuing in the business of
8 furnishing transient accommodations or in business as a resort
9 time share vacation plan shall register with the director the
10 name and address of each place of business within the State
11 subject to this chapter. The operator or plan manager shall
12 make a one-time payment as follows:

13 (1) \$5 for each registration for transient accommodations
14 consisting of one to five units;

15 (2) \$15 for each registration for transient accommodations
16 consisting of six or more units; and

17 (3) \$15 for each resort time share vacation plan within
18 the State;

19 upon receipt of which the director shall issue a certificate of
20 registration in such form as the director determines, attesting
21 that the registration has been made[-]; provided that the



1 director shall issue a certificate of registration with the
2 letters "TVU", which signifies transient vacation unit, to an
3 operator or plan manager furnishing transient accommodations for
4 less than thirty days; provided further that amended
5 certificates of registration with the letters "TVU" and existing
6 registration identification numbers may be issued for existing
7 certificates of registration, as applicable. The registration
8 shall not be transferable and shall be valid only for the
9 operator or plan manager in whose name it is issued and for the
10 transaction of business at the place designated therein.
11 Acquisition of additional transient accommodation units after
12 payment of the one-time fee shall not result in additional
13 fees."

14 2. By amending subsection (d) to read:

15 "(d) Failure to meet the requirements of subsection (c) or
16 providing a false registration identification number shall be
17 unlawful. The department may issue citations to any person,
18 including operators, plan managers, and transient accommodations
19 brokers, who violates subsection (c). A citation issued
20 pursuant to this subsection for each transient accommodation or
21 resort time share vacation interest, plan, or unit in violation



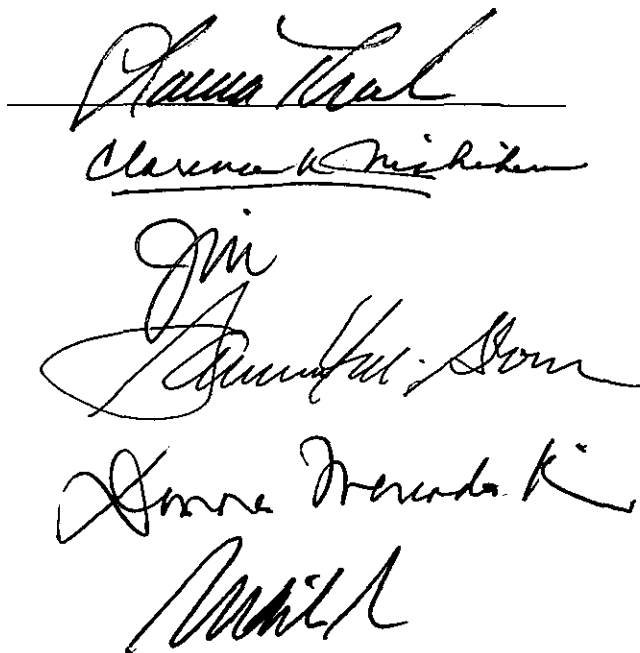
1 of subsection (c) shall include a monetary fine of not less
2 than:

- 3 (1) \$500 per day, for a first violation for which a
4 citation is issued;
5 (2) \$1,000 per day, for a second violation for which a
6 citation is issued; and
7 (3) \$5,000 per day, for a third and any subsequent
8 violation for which a citation is issued."

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval.

12 INTRODUCED BY:


The block contains five handwritten signatures in cursive script, stacked vertically. The first signature is the most prominent and appears to be 'Diana Thiel'. The second signature is 'Clarence K. ...'. The third signature is 'Jim ...'. The fourth signature is 'Anne ...'. The fifth signature is 'Mick ...'. Each signature is written over a horizontal line.



S.B. NO. 2354

Report Title:

Transient Accommodations Tax Certificate of Registration;
Transient Vacation Unit; Penalties

Description:

Requires the director of taxation to issue a certificate of registration with the letters "TVU", which signifies transient vacation unit, to an operator or plan manager furnishing transient accommodations to a transient for less than thirty days; provided that amended certificates of registration with the letters "TVU" and existing registration identification numbers may be issued for existing certificates of registration, as applicable. Establishes penalties for providing a false registration identification number.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

