STAND. COM. REP. NO. 2302

Honolulu, Hawaii

FEB 1 8 2016 RE: S.B. No. 2123 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

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Your Committee on Public Safety, Intergovernmental, and Military Affairs, to which was referred S.B. No. 2123 entitled:

"A BILL FOR AN ACT RELATING TO ZONING,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify county zoning authority by:

- Distinguishing single-family residential use from (1)single-family vacation rental use; and
- Allowing a zoning ordinance to amortize nonconforming (2)single-family transient vacation rentals over a reasonable period.

Your Committee received testimony in support of this measure from the Hawaii Association of Counties, Kauai County Council, Maui County Council, Hawaii County Council, and Office of Hawaiian Affairs. Your Committee received testimony in opposition to this measure from the Rentals by Owner Awareness Association, Hawaii Association of REALTORS, and one individual.

Your Committee finds that the proliferation of vacation rentals in areas zoned for single-family residential use has created planning-related challenges for counties and highlights the need for clarity in state law governing this issue. Increased demand for single-family vacation rentals contributes to a diminishing supply of housing in Hawaii, which ultimately has an



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adverse effect on lower-income residents of the State. This measure would empower the counties to gradually phase out nonconforming single-family transient vacation rentals; however, your Committee also finds that this measure could have significant unintended consequences for home and property owners in Hawaii, and that further discussion and consideration are required.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2123, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2123, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

> Respectfully submitted on behalf of the members of the Committee on Public Safety, Intergovernmental, and Military Affairs,

Clarence & Suchiker

CLARENCE K. NISHIHARA, Chair



The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Public Safety, Intergovernmental and Military Affairs PSM

Bill / Resolution No.:*	Committee	Referral:	Da		
SB2123	PSM,	СРН		2/9/	16
The Committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)		/			
ESPERO, Will (VC)			/		
BAKER, Rosalyn H.					
INOUYE, Lorraine R.	l	JEVAK			
SLOM, Sam					
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TOTAL		1	2		2
Recommendation:			<u>. </u>	L	<u> </u>
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes