SHAN TSUTSUI LT. GOVERNOR



MARIA E. ZIELINSKI DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE DEPUTY DIRECTOR

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 Richard H.K. Onishi, Chair and Members of the House Committee on Tourism
Date: Tuesday, March 21, 2017
Time: 9:00 A.M.
Place: Conference Room 429, State Capitol

From: Maria E. Zielinski, Director Department of Taxation

Re: S.B. 704, S.D. 2, Relating to Vacation Rentals

The Department of Taxation (Department) provides the following comments on S.B. 704, S.D. 2, for your consideration.

S.B. 704, S.D. 2, establishes an online vacation rental working group that will be administratively attached to the Department of Business, Economic Development, and Tourism. The purpose of the working group is to develop effective data collection methods that can assist state and county governments in monitoring the impact that short-term rentals have on tax collections, housing stock, and the State's brand as a vacation destination; address compliance and enforcement challenges; and create proposals for government-subsidized rental housing and long-term leasehold housing. Members of the working group include the Director of Taxation, or the Director's designee, and representatives from other State agencies, the counties, the hotel industry, the short-term rental industry, and the public. This bill has a defective effective date of July 1, 2050 and requires the working group to submit a report to the legislature no later than 20 days prior to the start of the 2018 regular session.

The Department will be able to comply with this bill and participate in the working group.

Thank you for the opportunity to provide comments.



# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov DAVID Y. IGE GOVERNOR

LUIS P. SALAVERIA DIRECTOR

MARY ALICE EVANS DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of LUIS P. SALAVERIA Director Department of Business, Economic Development, and Tourism before the HOUSE COMMITTEE ON TOURISM

> Tuesday, March 21, 2017 9:00 A.M. State Capitol, Room 429

# in consideration of **SB704, SD2 RELATING TO VACATION RENTALS.**

Chair Onishi, Vice Chair Tokioka and Members of the Committee.

The Department of Business, Economic Development & Tourism (DBEDT) supports SB704, SD2, which establishes an online vacation rental working group to develop effective data collection methods that can assist state and county governments in monitoring the impact that short-term vacation rentals have on tax collections, housing stock, and the State's brand as a vacation destination.

Currently, there are more than 40 websites that facilitate short-term rentals ranging from single rooms in private homes to entire villas. Based on tallies from the top four websites (VRBO, FlipKey, Airbnb, and ClearStay), the Hawaii Tourism Authority reported 27,177 individually advertised units for visitor use in Hawaii in 2015, a 22.2% increase from 2014. In contrast, total visitor unit growth was only 4.6% for the same year.

There are other studies that exist in the state regarding the number of Airbnb units listed in Hawaii; for example, Ricky Cassiday reported 8,134 Airbnb units in Hawaii.

A working group could develop a standardized methodology for data collection so that all researchers could follow consistent methodology for comparison across studies.

The data would be useful in understanding the supply and demand of individual vacation units in Hawaii.

The data would also be helpful to policy- and decision-makers in identifying the role of the online vacation rental units in Hawaii's housing, tourism, and taxation so that good government policies could be enacted.

DBEDT recommends that the working group be reduced in size from 19 to 13, and be made exempt from Chapter 26-34, HRS, and Chapter 92, HRS, to enable the working group to start work immediately after enactment and complete its report to the Legislature 20 days prior to the start of the 2018 Session.

DBEDT recommends the following:

- 1) Section 2(b) (6) and (7) be amended by adding, "...to be selected by:
  - (6) The Hawaii Association of Realtors.
  - (7) Unite Here, Local 5.
- 2) Section 2(b) (8), (9), and (10) be deleted.
- 3) Section 2(a) be amended by adding, "The members of the working group shall be exempt from Chapter 26-34 and Chapter 92, HRS."
- Section 2(c) be amended to require the organizations represented on the working group to reimburse members for reasonable expenses incurred for serving on the working group.
- 5) Section 3 be deleted.

As a concluding point, since HTA is experienced and has been collecting visitor inventory data, we would recommend HTA host the task force.

Thank you for the opportunity to provide testimony.



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 hawaiitourismauthority.org David Y. Ige Governor

**George D. Szigeti** *President and Chief Executive Officer* 

Statement of George D. Szigeti Chief Executive Officer Hawai'i Tourism Authority on SB704 SD2 Relating to Vacation Rentals House Committee on Tourism Tuesday, March 21, 2017 9:00 a.m. Conference Room 429

Chair Onishi, Vice Chair Tokioka, and Members of the Committee:

The Hawai'i Tourism Authority ("HTA") offers the following **testimony supporting** SB704 SD2, which establishes an online vacation rental working group to develop data collection methods to monitor the effect that short-term vacation rentals have on tax collections, the housing stock and the State's brand as a vacation destination. The working group would also explore compliance and enforcement challenges of short-term vacation rentals and create proposals to ensure that certain housing remains in long-term rental use or eligible rental use for a mandatory period.

HTA supports the creation of a working group to assess the role that short-term vacation rentals have in the visitor industry and the potential impact that short-term vacation rentals have on other businesses and communities. Whether one supports or opposes short-term vacation rentals, everyone acknowledges that short-term rentals involve issues that touch and concern the state and counties. Our elected officials and other leaders need accurate and complete information and input from interested parties and the public so that they can formulate sound policy.

While HTA has no objection to serving on the working group, HTA does not believe that it should lead the working group or make the working group organizationally part of HTA. HTA is responsible for developing and implementing the state's strategic tourism marketing plan and supporting programs that enhance and showcase Hawai'i's people, place and culture. HTA's efforts and resources are fully deployed toward these statutory missions. Adding a new working group to HTA would be burdensome. Moreover, many of the issues facing the working group, including tax collection, the housing stock and land use regulation, extend beyond HTA's mandate.

Mahalo for the opportunity to offer this testimony in support.

DEPARTMENT OF PLANNING AND PERMITTING CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7<sup>TH</sup> FLOOR • HONOLULU, HAWAII 96813 PHONE: (808) 768-8000 • FAX: (808) 768-6041 DEPT. WEB SITE: <u>www.honoluludpp.org</u> • CITY WEB SITE: <u>www.honolulu.gov</u>

KIRK CALDWELL MAYOR



KATHY K. SOKUGAWA ACTING DIRECTOR

TIMOTHY F. T. HIU ACTING DEPUTY DIRECTOR

March 21, 2017

The Honorable Richard H. K. Onishi, Chair and Members of the Committee on Tourism Hawaii House of Representatives Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Onishi and Committee Members:

Subject: Senate Bill No. 704, SD 2 Relating to Vacation Rentals

The Department of Planning and Permitting (DPP) **supports** Senate Bill No. 704, SD 2, which would establish an online vacation rental working group to develop effective data collection methods that can assist State and county governments in monitoring the impact that short-term vacation rentals have on tax collections, housing stock and the state's brand as a vacation destination. This Bill also would address compliance and enforcement challenges and create effective proposals to ensure certain housing remains in long-term rental or eligible rental use for a mandatory time period.

We agree with this Bill's intent of tracking and monitoring the number of housing units that are being used for short-term vacation rentals because of their impact on tax collection and available stock of affordable housing units. A report by the Hawaii Tourism Authority in 2014 showed that there were more than 4,400 units advertised on these online sites and we believe there may be hundreds, if not thousands, more that are operating illegally. The DPP is charged with enforcing the county's transient vacation rental law, and we are finding it increasingly difficult to keep up with the number of illegal vacation rentals on the island.

We welcome the opportunity to collaborate with the State on this important issue.

Thank you for the opportunity to testify.

Very truly yours,

Kathy Sokugawa Acting Director





808-733-7060

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59 A'ala Street, Suite 300 Honolulu, HI 96817

March 21, 2017

The Honorable Richard H.K. Onishi, Chair House Committee on Tourism

State Capitol, Room 429 Honolulu, Hawaii 96813

#### RE: S.B. 704, S.D.2, Relating to Vacation Rentals

### HEARING: Tuesday, March 21, 2017, at 9:00 a.m.

Aloha Chair Onishi, Vice Chair Tokioka, and Members of the Committee,

I am Myoung Oh, Director of Government Affairs, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 9,200 members. HAR comments of S.B. 704, S.D.2. which establishes an online vacation rental working group to develop effective data collection methods that can assist state and county governments in monitoring the impact that short-term vacation rentals have on tax collections, housing stock, and the State's brand as a vacation destination.

HAR understands the importance of ensuring that the State is able to collect the appropriate amount of taxes owed by all property owners. As REALTORS®, we often interact with property owners, potential property owners, and fellow real estate professionals on ensuring that proper disclosures are made and guidance is provided in various aspects of the real estate transaction.

Under our real estate licensing laws, HRS 467 it provides for a "custodian or caretaker" exemption where an unlicensed individual, who for a single owner, manages or cares for the single owner's property. The single owner may be an individual or an entity and the single owner must employ the custodian or caretaker.

From a landlord-tenant relationship, in HRS 521, an on-island agent is required if you rent your property and live off-island. The on-island agent doesn't have to be licensed as a real estate professional, unless he or she is involved in real estate activities like renting or offering to rent the property, or managing the property for lease. However, the landlord tenant code offers an exemption for hotels, which includes short term rentals.

To further complicate the process, pursuant to HRS 237D, if you're off-island, you'll also need to designate a local contact to assist with the collection of taxes for the rental property. The local contact also serves as the contact in case of an emergency or natural disaster, or to







answer any questions, concerns, or property issues that arise. The on-island local contact doesn't have to be a licensed real estate professional, unless he/she is also involved in real estate activities, like renting or offering to rent the property.

HAR believes this is a complex issue and we look forward to serving on the working group.

Mahalo for the opportunity to testify.





#### Testimony of Hawai'i Appleseed Center for Law and Economic Justice Supporting SB 704SD2 Relating to Vacation Rentals House Committee on Tourism

Scheduled for Hearing Tuesday, March 21, 2017, Conference Room 429

Hawai'i Appleseed Center for Law and Economic Justice Hawaii Appleseed is committed to a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, advocacy, and coalition building.

Thank you Chair Onishi and members of the committees for an opportunity to testify in strong support for SB 704 SD2. The bill establishes an online vacation rental working group to develop effective data collection method that can assist state and county governments in monitoring the impact that short-term vacation rentals have on tax collections, housing stock, and the State's brand as a vacation destination; address compliance and enforcement challenges; and create effective proposals to ensure certain housing remains in long-term rental or eligible rental use for a mandatory time period.

A recent report by the Department of Economic Development and Tourism determined Hawaii will need 65,000 more homes to house our residents by 2025. That estimation is similar to the projection by the Hawaii Housing Finance & Development Corporation's (HHFDC) that between 2015 and 2020 we have a housing shortage of 29,500 units. The Hawaii Tourism Authority estimates that there are over 27,000 vacation rentals in the state that are advertised online. The overwhelming number of these rentals are illegal. Every home that is used illegally as a visitor lodging business is one less home for our residents.

A recent report by the Hawaii Housing Finance and Development Corporation (HHFDC) indicated an alarming drop in rental listings over the last three years for both multi-family and single-family units on all islands. In some areas, advertised rental housing listings have dropped by 80%, with the number of single-family listings in Kaua'i at less than 10% of the number of listings available three years ago. Another recent study by the Honolulu County Office of Community Services indicated that at 80 % of occupancy, the average vacation rental unit in 2015 would bring in about 3.5 times more than for a long term rental to local residents. Now more than ever we need state and county cooperation to ensure any housing, whatever the number of units, stays as residential. We need to encourage landlords to rent to residents trying to find affordable housing rather than incentivize them to converted units to vacation rentals.

It is a high priority that we should bring some semblance of order to the proliferation of illegal vacation rentals and this bill would bring us a step closer to that goal. Thank you for an opportunity to testify in strong support for SB 704SD2.

Aloha, Victor Geminiani Hawaii Appleseed center for Law and Economic Justice

Submitted By	Organization	Testifier Position	Present at Hearing
Bob Dzielak, Executive VP and General Counsel	Expedia, Inc.	Support	No

Comments:

The Twenty-Ninth Legislature Regular Session of 2017

HOUSE OF REPRESENTATIVES Committee on Tourism Representative Richard H.K. Onishi, Chair Representative James Konane Tokioka, Vice Chair State Capitol, Conference Room 429 Tuesday, March 21, 2017; 9:00 a.m.

#### STATEMENT OF THE ILWU LOCAL 142 ON S.B. 704 S.D. 2 RELATING TO VACATION RENTALS

The ILWU Local 142 supports S.B. 704 S.D. 2, which establishes an online vacation rental working group to develop effective data and collection methods that can assist state and county governments in monitoring the impact that short-term vacation rentals have on tax collections, housing stock, and the State's brand as a vacation destination. The bill also makes an appropriation for the working group to perform its duties.

The ILWU supports this bill because the increase in popularity of online vacation rental platforms confirms that an increasing number of visitors to Hawaii, are looking at alternative lodging, such as short-term vacation rentals. This results in online vacation rentals intruding on and even disrupting the tourism industry and Hawaii's economy. This becomes an even larger concern when noting that these other owners and operators of some short-term vacation rentals are not paying their fair share of taxes, both to the State and County governments.

In many instances, there are non-complying owners and operators, who are in direct conflict with and in violation of State and County laws and regulations. We are monitoring H.B. 1471 which includes language that begins to deal with these "illegal units" in a more effective manner. Gathering accurate data and assessing impact based on information from the industry, are important goals of S.B. 704 S.D. 2, and with adequate financial resources, these goals would be advanced in a meaningful way.

One study underscores the growth of this short term rental business where Airbnb increased its revenues by almost 139% by working with homeowners in Hawaii. This not only indicates the amount of business being generated, but also reflects the degree to which the housing stock in Hawaii could be impacted. This of course will only add pressure to increase the cost of housing in Hawaii, since the supply of housing stock will decrease.

The ILWU urges passage of S.B. 704 S.D. 2. Thank you for the opportunity to share our views on this matter.



The House of Representatives The Twenty-Ninth Legislature Regular Session of 2017

To: Rep. Richard Onishi, Chair Rep. James Tokioka, Vice Chair

Date: March 21, 2017

Time: 9:00 a.m.

Place: Conference Room 429 Hawaii State Capitol

#### RE: Senate Bill 704 SD2, Relating to Vacation Rentals

Chairs Tokuda and Members of the Committees:

Rental By Owner Awareness Association (RBOAA) is a Hawaii non-profit corporation founded in 2011, representing over 1000 members. Our mission is to provide Hawaii vacation rental property owners with information to help them comply with the applicable State and County regulations, support the Hawaii economy by offering visitors choice in accommodation, and to advocate for the rights of Hawaii vacation property owners. RBOAA members provide transient vacation rentals in full compliance with existing tax and county regulations. RBOAA fully supports enforcement of existing regulations.

#### RBOAA SUPPORTS SB704.

RBOAA would like to nominate a member of the working group under item **9** - *Two individuals* who operate currently licensed short term vacation rentals in good standing *in residential communities in the State, to be selected by the governor;* 

Please contact the undersigned for a list of potential RBOAA nominees for consideration.

Thank you for the opportunity to testify on this measure.

Sincerely,

Neal Halstead President, Rentals by Owner Awareness Association president@rboaa.org



Eric W. Gill, Financial Secretary-Treasurer

Gemma G. Weinstein, President

Godfrey Maeshiro, Senior Vice-President

Monday, March 20, 2017

House Committee on Toursim Hawaii State Legislature State Capitol 415 South Beretania Street

Re: SB 704, SD 2

Aloha Chair Onishi, Vice Chair Tokioka and Committee Members,

UNITE HERE Local 5 – a local labor organization representing 11,000 hotel, health care and food service workers throughout Hawaii would like to register our support for SB 704, SD2 that would establish an online vacation rental working group.

As you know, the number of homes being used as vacation rentals is expected to grow to an estimated 40,000 in the next two years, with 399 more homes being used as vacation rentals each month. As such, we would also support the addition of affordable housing advocates and residents directly impacted by the growing number of vacation rentals to the working group.

Thank you.



COMMITTEE ON TOURISM Rep. Richard H.K. Onishi, Chair; Rep. James Kunane Tokioka, Vice Chair

Rep. Romy M. Cachola Rep. Takashi Ohno Rep. Isaac W. Choy Rep. Justin H. Woodson Rep. Ken Ito Rep. Gene Ward

Tuesday, March 21, 2017 9:00am House Conference Room 429 State Capitol

#### <u>Testimony on behalf of Airbnb re: SB704 SD2 - Support Intent With Suggested</u> <u>Amendments</u>

Dear Members of the Committee:

I am writing to provide comments on SB704 SD2, which would establish an online vacation rental working group to look at the impact of the industry on the state. As we have stated publicly and before the Legislature at various times, we welcome the opportunity to engage local and state leaders on ways to work together on clear, fair, and enforceable short term rentals rules that embrace innovation in this key sector of Hawaii's number one industry - tourism - while also protecting neighborhoods and long-term housing. *While we support the intent of SB704 SD2, the bill, as drafted, addresses only data sharing, while failing to address regulatory best practices that reflect an evolving industry, updating permitting in a manner that facilitates compliance, and protecting the economic benefits that short term rentals provide to Hawaii.* We request that the purpose of the working group be expanded to include:

1. The working group's primary task should go beyond data collection. The way we live, work, and travel is changing and there will be more people in more places using Airbnb and other similar platforms tomorrow than there are today. Local governments need new rules for home sharing to reflect changing technology and economic trends. We want to keep working with governments to craft rules that work. In Hawaii, there is a patchwork of varying laws across the four counties. Honolulu City and County has neither updated its short term rental laws nor issued new permits for nearly 30 years, while Hawaii County does not place any limitations on short term rentals. Meanwhile, Maui County allows this activity in condos in hotel zones without permit and in certain other buildings, depending on the use and year constructed, or with a permit. All face compliance and enforcement challenges. We would urge that the committee's mandate also include a review of regulatory best practices, to identify fair, clear, and enforceable laws that have been proven to work well in other cities and counties, as well as to look at positive ways that local governments and platforms can work together to increase compliance.

2. The working group includes two representatives from rental platforms. We'd respectfully ask that the legislation specifically include the participation of the three largest industry participants. Airbnb is a minority market participant in Hawaii, but is unique amongst the platforms in having volunteered to pay the hotel tax and has a global track record of working with cities, counties, and states to craft common sense short term rental regulations.

We also request that the findings acknowledge some of the economic benefits of short term rentals:

- 1. Homesharing is a longstanding industry in Hawaii that generates significant economic revenue for the state. In 2015, Airbnb spending by guests generated more than \$350M in economic activity in Hawaii;
- 2. Hawaii residents who hosted guests on Airbnb earned more than \$9,000, the equivalent of a 12% raise to the median household income;
- 3. Hawaii residents booked more than 110,000 trips on Airbnb to visit other locations, including more than 11,000 trips between the islands;
- 4. Despite Airbnb's growth, Hawaii hotels have continued to have record growth, clearly demonstrating that Airbnb and the hotel industry can successfully coexist.

Additionally, we would respectfully ask that the findings note the following with respect to the hotel tax:

- Airbnb is the first, and only, homesharing and vacation rental platform to seek an agreement with the state to voluntarily collect and remit hotel taxes to the state and sponsored a bill last year that was vetoed by the Governor preventing the company from collecting and remitting taxes;
- 2. Airbnb again has engaged the state to adopt legislation that would allow the company to collect and remit hotel taxes to the state;
- 3. Airbnb has already reach agreements with more than 220 jurisdictions around the world to collect and remit hotel taxes which have already generated hundreds of millions of dollars in new revenue for local jurisdictions.

Thank you for your consideration of these requests and we look forward to working with you.

(Albelde

Matt Middlebrook Head of Public Policy, Hawaii



#### <u>SB704</u> Submitted on: 3/21/2017 Testimony for TOU on Mar 21, 2017 09:00AM in Conference Room 429

Submitted By	Organization	Testifier Position	Present at Hearing
Kekoa McClellan	The American Hotel and Lodging Association	Comments Only	Yes

Comments: Aloha Chair Onishi, The hotel and lodging industry is vibrant and growing. Last year alone, we welcomed more guests into our hotels, inns and beds and breakfasts than ever before. That momentum comes as hotels are constantly innovating to meet the needs of our guests, developing new consumer experiences and creating new jobs and reinvesting in our communities as a result. And we welcome competition from new players, including people who want to occasionally share their homes to earn extra income. The increasing level of unregulated commercial activity thriving on these new platforms presents new and unprecedented challenges in the communities we serve in Hawaii and all of our members' markets. Study after study shows a growing trend of revenue coming from commercial operators using online platforms to rent out multiple properties. One study, by researchers at Penn State University, showed that commercial operators in 14 of the nation's largest cities, accounted for over \$500 million in one year from commercial operators using a single platform to rent out multiple residential properties to travelers. And more than a guarter of those revenues in those same cities (almost \$350 million in one year) came from "hosts" who rent their units out full time, just like a hotel. This month CBRE released a study showing 85% of Airbnb's revenue coming from whole-home rentals, with 27% of those hosts operating 20 or more whole-home rentals. That's not home-sharing, that's a business. These commercial operators ought to pay the same taxes and abide by the same commonsense health and safety regulations as every other legitimate lodging business to protect quests and support communities. Unfortunately, some online platforms have gone to great lengths to hide the unregulated commercial activity driving so much of their revenue in major markets, including Hawaii. We strongly believe policymakers deserve more transparency from these companies, so they can better understand the impact that short-term rentals are having in their communities. With that information, we expect to see more cities and states moving to ensure short-term rental companies and the unregulated commercial businesses they facilitate operate by a standard set of rules that ensure a level playing field and protect our neighborhoods. To this end, we support the intent of SB704, and the working group's mandate to include in their key objectives the composition of policy's to guaranty: -Mandatory state registration for shortterm rentals. -Transparency of data reported by STR platforms to ensure maximum collection of taxes from STR activity. -Penalties sufficient to encourage compliance by hosts, and penalties for platforms listing non-compliant units. Thank you for considering these comments in support the intent of SB70's provision of guidance to regulate and to curb the proliferation of illegal short term rentals in our neighborhoods. Mahalo, Kekoa McClellan For the American Hotel and Lodging Association

Submitted By	Organization	Testifier Position	Present at Hearing
Wendy Arbeit	Individual	Support	No

Comments: Vacation rentals reduce housing stock for our residents. Outlaw it, and enforce it rigorously with penalties so large they cannot be absorbed as a price of doing business. Also tax heavily those that manage to get grandfathered in.

Submitted By	Organization	Testifier Position	Present at Hearing
Kandis McNulty	Individual	Support	No

Comments: The impact of vacation rentals must be monitored to ensure we do not sell out our homes to investors. We need strong communities!

Submitted By	Organization	Testifier Position	Present at Hearing
Michael McNulty	Individual	Support	No

Comments:

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen M. Pahinui	North Shore Neighbors	Support	No

Comments:

Submitted By	Organization	Testifier Position	Present at Hearing
Vernon Hinsvark	Individual	Support	No

Comments: Aloha Senators, I support the intent of SB 704 SD2 to collect data and analyze the full effects of short term rentals on our housing availability, environment and the livability of our communities. I am I full time resident of Kailua and currently serve on the Kailua Neighborhood Board. I feel the makeup of the working group is biased towards the industry. I would like to see the addition of at least 2 members of the community who are adversely affected by illegal short term rentals. The effects on neighborhoods need to be addressed by residents who are bearing the brunt of the illegal commercial activities. These 2 members should be selected by local neighborhood boards that are working very hard to help preserve our residential communities. We also need members that represent advocacy groups for affordable housing. This effort to discover and understand the pros and cons of our current path is invaluable. It should be conducted in a fair and unbiased manner. Thank you for your service and consideration of these changes to help balance the working group. Vern Hinsvark 808 295-4603 verno@hawaii.rr.com



<u>**SB704</u>** Submitted on: 3/20/2017</u> Testimony for TOU on Mar 21, 2017 09:00AM in Conference Room 429

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Barbara Barry	Individual	Support	No



# <u>SB704</u>

Submitted on: 3/20/2017 Testimony for TOU on Mar 21, 2017 09:00AM in Conference Room 429

Submitted By	Organization	Testifier Position	Present at Hearing
CSpellman	Individual	Support	No

Comments: Thank you for this new approach to auditing Short Term Rentals. My name is Carmie Spellman, Front Street Apartments, Maui, Hawaii. I am disabled and retired. I am facing potential homelessness. The entire State of Hawaii is impacted by tourism so yes I SUPPORT SB 704 SD2. I apologize for the late testimony but just found out about it on Facebook after 5pm. Please accept my testimony. Thank you for your time and diligence in finding solutions to improve the market.



#### <u>SB704</u> Submitted on: 3/21/2017 Testimony for TOU on Mar 21, 2017 09:00AM in Conference Room 429

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing	
Larry Bartley	Save O'ahu's Neighborhoods	Support	Yes	

Comments: Save O'ahu's Neighborhoods (SONHawai'i) was formed in 2005 to educate people and influence the Honolulu County Government and the State of Hawai'i to preserve residential zoned areas and mitigate the problem of short term rentals and the effect they bear on rental prices, homelessness, loss of community, and crime. Since our founding, many groups, neighborhood boards, community organizations and dedicated individuals have preserved O'ahu's 1989 ban on short term rentals in residential zoned areas – despite several concentrated efforts at the county and state level to overturn that ban. We are here to stay and a better informed public is insisting on real solutions to the problems and benefits of the socalled "SHARING" economy. SB 704 is a great idea whose time is overdue. SONHawai'i and our group of volunteers have more experience with the issue of vacation rentals, the law, enforcement, stories, impacts – every aspect, than anyone in the state. We are here to help. Larry Bartley Executive Director 224-4040



Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Barry	Individual	Support	No

Comments: