
A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS.

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

- 1 SECTION 1. (a) Notwithstanding any provision of section
2 237D-6.5, Hawaii Revised Statutes, to the contrary, a county
3 shall be eligible to receive \$1,000,000 from the State for the
4 purpose of enforcing all applicable laws and ordinances relating
5 to transient accommodations and short-term vacation rentals;
6 provided that no funds shall be released to a county until it
7 has satisfactorily complied with the following conditions:
- 8 (1) Established a real property tax rate that applies only
9 to:
- 10 (A) Transient accommodations; or
11 (B) Short-term vacation rentals occupied for a period
12 of one-hundred eighty consecutive days or less;
- 13 (2) Developed a process to expediently issue special use
14 permits to, and collect all applicable taxes from,
15 qualifying properties that are proposed for use as:
- 16 (A) Transient accommodations; or



- 1 (B) Short-term vacation rentals occupied for a period
- 2 of one-hundred eighty consecutive days or less;
- 3 (3) Established a registry to track compliance by, and any
- 4 complaints concerning, permittees who receive special
- 5 use permits pursuant to paragraph (2);
- 6 (4) Established an expedited process for addressing
- 7 alleged violations of zoning and special use permits
- 8 laws and ordinances by operators of:
- 9 (A) Transient accommodations; or
- 10 (B) Short-term vacation rentals occupied for a period
- 11 of one-hundred eighty consecutive days or less;
- 12 (5) Established an expedited process for addressing an
- 13 appeal filed by a party that was denied a special use
- 14 permit pursuant to paragraph (2); provided that a
- 15 county that has not established an expedited process
- 16 by December 31, 2018, shall establish a process that
- 17 is functionally equivalent to the contested case
- 18 hearing process described in section 91-9, Hawaii
- 19 Revised Statutes;
- 20 (6) Enacted legislation that implements the conditions
- 21 described in paragraphs (1) through (5); and



1 (7) Notified the governor in writing that it has complied
2 with the conditions described in paragraphs (1)
3 through (6).

4 (b) Within ten days of receiving written notification from
5 the mayor of a county that it has complied with the conditions
6 described in subsection (a)(1) through (a)(6), the governor
7 shall instruct the director of finance to review whether the
8 county's compliance with the required conditions is
9 satisfactory. If the director's review indicates that the
10 county's compliance is satisfactory, the director of finance
11 shall release to the county the funds authorized in section 2 of
12 this Act; provided that the funds have not lapsed. If the
13 director's review indicates that the county's compliance with
14 the required conditions is not satisfactory, the director shall
15 communicate to the mayor of the county the results of the review
16 and shall specify the actions that the county must take to
17 achieve satisfactory compliance with the required conditions.
18 The release of funds to a county under this Act shall not be
19 contingent upon another county having complied with the
20 conditions described in subsection (a)(1) through (a)(6).



1 (c) As used in this section, "transient accommodations"
2 has the same meaning as in section 237D-1, Hawaii Revised
3 Statutes.

4 SECTION 2. There is appropriated out of the revenues
5 collected under chapter 237D, Hawaii Revised Statutes, prior to
6 any distribution to the counties under section 237D-6.5, Hawaii
7 Revised Statutes, the sum of \$4,000,000 or so much thereof as
8 may be necessary for fiscal year 2018-2019 for the city and
9 county of Honolulu and the counties of Maui, Hawaii, and Kauai
10 to enforce all applicable laws and ordinances relating to
11 transient accommodations and short-term vacation rentals as
12 established in this Act; provided that no respective county
13 shall receive more than \$1,000,000 from this appropriation.

14 The sum appropriated shall be expended by the respective
15 counties for the purposes of this Act.

16 Any unexpended balance of any appropriation made by this
17 Act as of the close of business on June 30, 2019, shall lapse
18 into the general fund.

19 SECTION 3. Each county receiving an appropriation for the
20 enforcement of all applicable laws and ordinances relating to
21 transient accommodations and short-term vacation rentals as



1 established in this Act shall submit a report to the legislature
2 no later than twenty days prior to the convening of the regular
3 session of 2019 and within twenty days after the close of the
4 2018-2019 fiscal year, which shall include all enforcement
5 actions taken by the respective county wherein the county
6 expended any funds appropriated by this Act.

7 SECTION 4. This Act shall take effect on July 1, 2018.



Report Title:

Transient Accommodations; Vacation Rentals; Counties;
Enforcement; Appropriation

Description:

Provides that a county shall be eligible to receive \$1,000,000 from the State for the purpose of enforcing all applicable laws and ordinances relating to transient accommodations, provided that no funds shall be released to a county until it has satisfactorily complied with specified conditions. Makes an appropriation from TAT revenues. Requires a report from a county receiving funds for enforcement of transient accommodations and short-term vacation rentals ordinances.
(HB2605 HD1)

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