

March 1, 2023

- TO: Chair Karl Rhoads Members of the Committee on Judiciary
- FR: Alex April ^{VHV} Airbnb Public Policy, Hawaii

SB1112 RELATING TO SHORT-TERM RENTALS - COMMENTS

Mahalo for the opportunity to comment on SB1112, related to short-term rentals. We are grateful for the partnership developed between the State of Hawai'i and localities over the last several years on short-term rental policies that support the local tourism industry; and provide housing opportunities for transient workers, students, and inter-island guests.

In the event that SB1112 is passed, inter-island relocations and temporary workers will have the guaranteed ability to stay at a short-term rental. These protections will allow individuals to relocate and work on temporary job sites, benefiting the local economy and businesses.

Short-term rentals and their hosts, guests, and transitional residents support a number of local small businesses; everything from housekeeping and landscaping to restaurants and local markets benefit from a robust tourism and short-term rental market.

Mahalo for the consideration of our comments.



February 27, 2023

VIA WEB TRANSMITTAL

DATE: Wednesday, March 1, 2023 TIME: 9:30 AM PLACE: Conference Room 016 & Videoconference State Capitol 415 South Beretania Street

Senator Karl Rhoads, Chair Senator Mike Gabbard, Vice Chair Senate Committee on Judiciary

Re : Hawaii Chapter, Community Associations Institute's <u>Testimony in OPPOSITION to SB 1112</u>

Dear Chair Rhoads, Vice-Chair Gabbard and Committee Members

To understand CAI's opposing stance, it must first be recognized and understood that the Community Association Housing Model is built upon the concept of bringing people together, strengthening neighborhood bonds and promoting a sense of community and belonging. It should also be appreciated that Associations are incredibly diverse, as such, policies need to be tailored to meet the character, culture and desire of homeowners in a particular community. Homeowner volunteers who understand their own unique Community needs are elected by their neighbors, set policies and oversee Association operations and to act in the best interest of the Community. This is the nucleus of a Community Association's self-governance policy.

SB 1112 is being introduced to prohibit bans on dwelling unit rentals having a term between one and five months for inter-island relocations and temporary works.

Having standard governmental regulations apply to all Associations is in essence taking away Community Association's intrinsic principle of self-governance. As no two Associations are the same, a "one size fits all" theory may do more harm than good for a particular Community. Any governmental regulations that would intrude upon the integrity of the Community Associations' autonomy to serve the best interest of the Association should be very carefully scrutinized. Another contention to note is that the nature of short-term rentals, be it for inter-island relocations, temporary workers or any other purpose is not intuitively harmonious with the Community Association Housing Model. When a Homeowner buys into the Community Association, they consciously choose to live by and accept a contractual and ethical responsibility to abide by their Association's established policies. In contrast, short-term renters typically have no ties to the community, are not contractually bound by the association's established policies and are generally not invested in the overall good of the community. This may place added burdens on the Community such as parking, noise, common amenities etc and expose the neighborhood to degradation and deterioration.

In conclusion, CAI strongly opposes SB 1112 as it denigrates the very core of Community Association governance, which is based on private contractual obligations of the community's homeowners. An Association must be allowed the freedom to choose for themselves if the policy of this Bill befits the Community's intrinsic characteristics.

Sincerely *Selkie Khoo* Selkie Khoo CAI LAC Hawaii

<u>SB-1112</u> Submitted on: 2/26/2023 4:10:09 PM Testimony for JDC on 3/1/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

To Much Government/Communist Control!!

TO:	Members of the Committee on Judiciary
FROM:	Natalie Iwasa 808-395-3233
HEARING:	9:30 a.m. Wednesday, March 1, 2023
SUBJECT:	SB 1112, Prohibits Bans on Certain Short-term Rentals of One to Five Months – SUPPORT with Amendment

Aloha Chair Rhoads and Committee Members,

Thank you for allowing me the opportunity to provide testimony on SB 1112, which would prohibit bans on dwelling unit rentals between one and five months for interisland relocations and temporary workers and authorizes counties to adopt related ordinances.

The ordinance that was passed in Honolulu does not take into account that residents, in addition to those who want to relocate or work temporarily away from their homes, also need short-term housing.

For example, if there is a storm that displaces a family, that family would likely need to rent a home for less than six months. They shouldn't be required to live in a resort zone, which is currently the case on Oahu with very few exceptions. There are plenty of other legitimate reasons why residents may need to rent for less than six months. Therefore, please amend this bill by deleting the following language on page 7 of the bill:

"... provided that the tenant shall be either an individual who is:

(1) Relocating from one island in the State to another island in the State; or

(2) Employed to temporarily perform work at a job site in the applicable county during the term of the rental agreement;

provided further that this subsection shall only take effect in a county if the council of the respective county adopts an ordinance to implement this subsection no later than June 30, 2024."

Please amend SB 1112 and vote "yes."