STAND. COM. REP. NO. 3014

Honolulu, Hawaii

MAR 0 1 2024

RE: S.B. No. 2919 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred S.B. No. 2919, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PROPERTY,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow the counties to regulate by zoning ordinance the time, place, manner, and duration in which uses of land structures may take place;
- (2) Allow the counties to amortize or phase out transient accommodations uses in residential or agricultural zoned areas; and
- (3) Expand the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations.

Your Committees received testimony in support of this measure from one member of the Maui County Council, Housing Hawai'i's Future, Lāhainā Strong, ILWU Local 142, UNITE HERE Local 5, Hawaii Hotel Alliance, Hawaii's Thousand Friends, American Hotel and Lodging Association, Hawai'i Lodging and Tourism Association, Keep it Kailua, and forty-four individuals.

Your Committees received testimony in opposition to this measure from GL Robinson Inc; Luana Cottage LLC; Hawai'i Association of REALTORS; Maui Miracle LLC; REALTORS Association of Maui, Inc.; Serendipity Associates; Hawai'i Island REALTORS; Honolulu Board of REALTORS; Attention to Detail Maui LLC; Hawai'i Mid and Short-Term Rental Alliance; Rosie's Rentals; Tisuli Property Group LLP; Papakea; Tropica USA Corp.; Maui Vacation Rental Association; Maui Chamber of Commerce; Kama'āina Occupied Short-Term Rentals O'ahu; Airbnb; O'ahu Short-Term Rental Alliance; Wailea Ekahi Gardens 52D LLC; BRX Rentals Inc.; Rental by Owners Awareness Association; Kinas Maui Condo Rentals LLC; and more than five hundred twenty individuals.

Your Committees received comments on this measure from the Department of Taxation, Land Use Commission, Grassroot Institute of Hawaii, Maui Eldorado Kaanapali, and three individuals.

Your Committees find that not only do short-term rentals disrupt the State's traditional and economically indispensable lodging industries, they also disrupt the character and fabric of residential neighborhoods. Short-term rentals that may not violate land use designations must be regulated so that transactions mutually benefit clients and community members alike. This measure promotes the orderly development of each county and ensures the greatest benefit to the State as a whole by creating a comprehensive regulatory scheme for short-term rentals of dwelling units and enhancing the zoning powers of the counties to eliminate future nonconforming uses over time.

Your Committees have amended this measure by:

- (1) Making the expanded scope of transient accommodations, that includes certain shelters and vehicles with sleeping accommodations, take effect on January 1, 2025; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2919, S.D. 1, as amended herein, and recommend

that it pass Third Reading in the form attached hereto as S.B. No. 2919, S.D. 2.

Respectfully submitted on behalf of the members of the Committees on Judiciary and Ways and Means,

DONOVAN M. DELA CRUZ, Chair

KARL RHOADS, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral: Date:							
SB 2919 SD1	CPN EET	PSM, JDC	WAM 03	01 24				
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
RHOADS, Karl (C)		V						
GABBARD, Mike (VC)		V						
ELEFANTE, Brandon J.C.								
SAN BUENAVENTURA, Joy A	١.							
AWA, Brenton								
		 -						
		<u> </u>						
	·	_						
1								
			, <u>.</u>					
		-						
TOTAL		5						
Recommendation: Adopted Not Adopted								
Chair's or Designer's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

^{*}Only one measure per Record of Votes

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* SB Z919 SD)	Committee Referral: Date: CPN/EET/PSM, JDC/WAM 3/1/24						
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members		Aye	Aye (WR)	Nay	Excused		
DELA CRUZ, Donovan M. (C)		X					
MORIWAKI, Sharon Y. (VC)		Х		, , ,			
AQUINO, Henry J.C.		X					
DECOITE, Lynn		X					
HASHIMOTO, Troy N.		X					
INOUYE, Lorraine R.		X					
KANUHA, Dru Mamo					X		
KIDANI, Michelle N.		X					
KIM, Donna Mercado		X		,			
LEE, Chris		X					
SHIMABUKURO, Maile S.L.					X		
WAKAI, Glenn		_X					
FEVELLA, Kurt		Х					
				· · · ·			
TOTAL		1/	0	0	2		
Recommendation: 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 one measure per Record of Votes