

STAND. COM. REP. NO. 3014

Honolulu, Hawaii

MAR 01 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,

  
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DONOVAN M. DELA CRUZ, Chair

  
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KARL RHOADS, Chair





