A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS.

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

1	SECT	ION 1. Chapter 237D, Hawaii Revised Statutes, is	
2	amended by adding a new section to be appropriately designated		
3	and to read as follows:		
4	" <u>§</u> 23'	7D- Transient accommodations brokers. (a) All	
5	transient	accommodations brokers, prior to publishing an	
6	advertisement, including an online advertisement, on the		
7	availability of a property for lease or rent on behalf of an		
8	operator or plan manager shall:		
9	(1)	Notify the operator or plan manager that the subject	
10		property is required to be in compliance with	
11		applicable state and county land use laws and	
12		ordinances prior to retaining the services of the	
13		transient accommodations broker;	
14	(2)	Require the operator or plan manager to provide the	
15		transient accommodations broker with the operator or	
16		plan manager's registration identification number and	

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1		<u>local contact information and include this information</u>	
2		in the advertisement, pursuant to section 237D-4;	
3	(3)	Require the operator or plan manager to provide the	
4		transient accommodations broker with verification of	
5		compliance with state and county land use laws in the	
6		form of a written certification, verification, or	
7		permit, as applicable, issued by the appropriate	
8		county agency; and	
9	(4)	Require the operator or plan manager to provide a	
10		statement to the transient accommodations broker	
11		confirming compliance with all applicable land use	
12		laws and ordinances.	
13	(b)	An operator or plan manager shall remove any	
14	advertisement published through the transient accommodations		
15	broker, including an online advertisement, for a transient		
16	accommodation located in the State for which the operator or		
17	plan manager fails to comply with subsection (a)(2), (3), or (4)		
18	or for which the operator or plan manager has received written		
19	notice from a state or county governmental authority that the		
20	property is not in compliance with state law or county		
21	ordinance, as applicable. The state or county governmental		

- 1 authority shall provide a copy of the written notice to the
- 2 transient accommodations broker.
- 3 (c) Nothing in this section shall be construed to preempt
- 4 or prohibit the authority of a unit of local government in the
- 5 State, including counties and any other political subdivisions
- 6 of the State, to adopt, monitor, and enforce local land use
- 7 ordinances, rules, or regulations, nor to transfer the authority
- 8 to monitor and enforce these ordinances, rules, or regulations
- 9 away from the counties."
- 10 SECTION 2. Chapter 481B, Hawaii Revised Statutes, is
- 11 amended by adding two new sections to be appropriately
- 12 designated and to read as follows:
- 13 "\$481B- Transient accommodations brokers. (a) It
- 14 shall be unlawful for a transient accommodations broker to
- 15 engage in business with an operator or plan manager, including
- 16 any person or entity employed, contracted, or otherwise engaged
- 17 by the operator or plan manager for property management or as an
- 18 activity provider, who is not in compliance with all state laws
- 19 and county ordinances, including any laws and ordinances
- 20 regarding land use, taxes, and professional licenses.

1 (b) It shall be unlawful for a transient accommodations 2 broker, on behalf of an operator or plan manager, to employ, 3 contract, or otherwise engage in business with any person or 4 entity to manage any property of the operator or plan manager or 5 to act as an activity provider for transients served by the 6 operator or plan manager if the person or entity is not in 7 compliance with all state laws and county ordinances, including 8 laws and ordinances regarding land use, taxes, and professional 9 licenses. 10 (c) Violation of this section is a misdemeanor and shall 11 be punishable by a fine of no less than \$10,000. 12 (d) For the purposes of this section: 13 "Activity provider" has the same meaning as in section 14 468M-1. 15 "Operator" has the same meaning as in section 237D-1. 16 "Plan manager" has the same meaning as in section 237D-1. "Transient accommodations" has the same meaning as in 17 18 section 237D-1. "Transient accommodations broker" has the same meaning as 19

in section 237D-1.

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1 §481B-Booking services. (a) It shall be unlawful for 2 a hosting platform to provide, and collect a fee for, booking 3 services in connection with transient vacation rentals located 4 in the State if those transient vacation rentals are not 5 lawfully certified, registered, or permitted as a transient 6 vacation rental under applicable county ordinance at the time 7 the transient vacation rental is rented. 8 (b) The appropriate officer or agency charged with the 9 administration of county zoning laws shall enforce this section within each county. 10 11 (c) Violation of this section shall be a misdemeanor and 12 shall be punishable by a fine of no less than \$10,000. 13 (d) For the purposes of this section: 14 "Booking service" means any reservation or payment service 15 provided by a person or entity that facilitates a transient 16 vacation rental transaction between an operator and a 17 prospective renter, and for which the person or entity collects or receives, directly or indirectly through an agent or 18 19 intermediary, a fee in connection with the reservation or 20 payment services provided for the transient vacation rental

transaction.

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1	"Cou	nty" means the city and county of Honolulu and the	
2	counties	of Hawaii; Kauai; and Maui, which shall include the	
3	county of Kalawao.		
4	"Hos	ting platform" means a person or entity that	
5	participa	tes in the transient vacation rental business by:	
6	(1)	Providing, and collecting or receiving a fee for,	
7		booking services through which an operator may offer a	
8		transient vacation rental unit; or	
9	(2)	Providing booking services through an online platform	
10		that allows an operator to advertise the transient	
11		vacation rental unit through a website provided by the	
12		person or entity and conducting a transaction by which	
13		potential renters arrange use and payment, whether the	
14		renter pays rent directly to the operator or to the	
15		person or entity.	
16	"Operator" means any person operating a transient vacation		
17	rental, w	hether as owner or proprietor or as lessee, sublessee,	
18	mortgagee	in possession, licensee, or otherwise, or engaging or	
19	continuing in any service business that involves the actual		
20	furnishing of a transient vacation rental.		

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- 1 "Transient vacation rental" means "transient vacation
- 2 rental", "transient vacation unit", or "transient vacation use",
- 3 as defined by county ordinance."
- 4 SECTION 3. Section 237D-1, Hawaii Revised Statutes, is
- 5 amended by amending the definition of "transient accommodations"
- 6 broker" to read as follows:
- 7 ""Transient accommodations broker" means any person or
- 8 entity, including but not limited to persons who operate online
- 9 websites, online travel agencies, or online booking agencies,
- 10 that offers, lists, advertises, facilitates, or accepts
- 11 reservations or collects whole or partial payment for transient
- 12 accommodations or resort time share vacation interests, units,
- 13 or plans."
- 14 SECTION 4. This Act does not affect rights and duties that
- 15 matured, penalties that were incurred, and proceedings that were
- 16 begun before its effective date.
- 17 SECTION 5. New statutory material is underscored.
- 18 SECTION 6. This Act shall take effect on June 30, 3000.

Report Title:

Transient Accommodations Brokers; Advertising; Requirements

Description:

Establishes requirements for transient accommodations brokers prior to publishing an advertisement on the availability of a property for lease or rent on behalf of an operator or plan manager. Prohibits transient accommodations brokers from engaging in business with an operator or plan manager who is not in compliance with state laws and county ordinances. Prohibits a hosting platform from providing booking services in connection with a transient vacation rental that is not lawfully certified, registered, or permitted as a transient vacation rental under applicable county ordinance. Effective 6/30/3000. (HD1)

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