ACT 12

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S.B. NO. 1113

A Bill for an Act Relating to Geographic Limitations on Time Shares.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 514E-5, Hawaii Revised Statutes, is amended to read as follows:

"§514E-5 Geographic limitations. Except as provided in this section, time share units, time share plans, and transient vacation rentals are prohibited.

- (1) Existing time share units, time share plans, and transient vacation rentals are not impaired by the provisions of this section.
- (2) Time share units, time share plans, and transient vacation rentals are allowed:
 - (A) In areas designated for hotel use, resort use, or transient vacation rentals, pursuant to county authority under section 46-4, or where the county, by its legislative process, designates hotel, transient vacation rental, or resort use;
 - (B) In a hotel where the county explicitly approves such use, in advance, as a nonconforming use; or
 - (C) In a county with a population in excess of five hundred thousand, in an existing hotel which is a valid nonconforming use under county ordinance[; provided that the property shall have at least sixty units and at least forty per cent of the units, upon completion of sales of the time share intervals in the project, shall be made available for sale as residential apartments or rented as residential apartments]."

SECTION 2. Statutory material to be repealed is bracketed and stricken.

SECTION 3. This Act shall take effect upon its approval. (Approved April 21, 2009.)