

Honolulu, Hawaii

Feb 17, 2012

RE: H.B. No. 1707

H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and  
Judiciary, to which was referred H.B. No. 1707, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS,"

beg leave to report as follows:

The purpose of this measure is to control the proliferation of temporary vacation rentals and to ensure that nonresident owners of a rental property that is rented for 30 days or less pay their fair share of general excise taxes and transient accommodations taxes on the rental income by requiring nonresident owners of residential single family dwellings, apartments, or townhouses who rent their property as a transient accommodation for 30 days or less to rent the property through a licensed real estate broker or salesperson who must collect all applicable taxes.

The Kailua Neighborhood Board, Save Oahu Neighborhoods Hawaii, Save North Shore Neighborhoods, Summit to Sea Realty Corporation, Exclusive Getaways, Rentals Maui Inc., and several concerned individuals testified in support of this measure. The Department of Taxation testified in support of the intent of this measure. Block Enterprises and numerous concerned individuals testified in opposition to this measure. The American Resort Development Association and a concerned individual provided comments.



Your Committees have amended this measure by changing its effective date to January 1, 3000, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1707, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.B. No. 1707, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committees on Consumer  
Protection & Commerce and  
Judiciary,

  
GILBERT KEITH-AGARAN, Chair

  
ROBERT M. HERKES, Chair





