
HOUSE CONCURRENT RESOLUTION

URGING EACH COUNTY TO CURB THE PROLIFERATION OF ILLEGAL VACATION
RENTALS.

1 WHEREAS, the illegal rental of housing units for less than
2 thirty days at a time without a valid county permit has become
3 widespread throughout the State; and
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5 WHEREAS, operators of unpermitted transient vacation
6 rentals in residential areas are able to offer those units for
7 lower prices than legal hotel rooms largely by avoiding the
8 payment of taxes, such as higher property taxes that hotels and
9 resorts pay in order to comply with county zoning requirements;
10 and
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12 WHEREAS, owners of residential property used for
13 unpermitted transient vacation rentals may also be claiming
14 homeowners exemptions in order to avoid paying higher property
15 taxes; and
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17 WHEREAS, in addition to avoiding higher property taxes,
18 operators of unpermitted residential transient vacation rentals
19 often fail to report and pay the transient accommodations taxes
20 and general excise taxes that they owe to the State; and
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22 WHEREAS, by failing to pay their fair share of taxes,
23 operators of unpermitted residential transient vacation rentals
24 effectively force all other taxpayers to subsidize their illegal
25 operations; and
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27 WHEREAS, the collection of taxes from each individual
28 taxpayer of a transient vacation rental should therefore be made
29 more efficient and reliable, and one method worthy of study is
30 the use of tax lien foreclosures to both curb the proliferation



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1 of illegal vacation rentals and generate increased tax revenues
2 to the counties; now, therefore,

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4 BE IT RESOLVED by the House of Representatives of the
5 Thirtieth Legislature of the State of Hawaii, Regular Session of
6 2019, the Senate concurring, that each county is urged to curb
7 the proliferation of illegal vacation rental units by:

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9 (1) Conducting expedited foreclosures on illegal vacation
10 rental properties with amounts in arrears over \$5,000;
11 and

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13 (2) Imposing increased minimum levels of fines to
14 discourage repeat offenses; and

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16 BE IT FURTHER RESOLVED that certified copies of this
17 Concurrent Resolution be transmitted to the Mayor of each
18 county.

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OFFERED BY:



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