

Honolulu, Hawaii

MAR 01 2019

RE: S.B. No. 1292
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred S.B. No. 1292, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the definition of "transient accommodations" to include other forms of transient accommodations and other terms that the counties may have defined;
- (2) Make it unlawful for a hosting platform to provide, and collect a fee for, booking services regarding transient accommodations that are not lawfully certified, registered, or permitted under applicable county ordinance;
- (3) Require anonymous, periodic reports by operators and plan managers of transient accommodations listings to the Department of Taxation;
- (4) Enable a transient accommodations broker to register as a tax collection agent with respect to transient accommodations taxes and general excise taxes for its operators and plan managers; and



- (5) Require a transient accommodations broker, platform host, and booking service to remove a transient accommodation advertisement upon notice that the property is not in compliance with state law or county ordinance.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Hawai'i Tourism Authority, Department of Planning and Permitting of the City and County of Honolulu, Kohala Coast Resort Association, Hawai'i Lodging & Tourism Association, Maui Chamber of Commerce, Outrigger Hospitality Group, Napili Kai Beach Resort, Maui Hotel & Lodging Association, OLS Hotels & Resorts, and four individuals. Your Committees received testimony in opposition to this measure from Airbnb; Kobayashi Sugita & Goda, LLP; and nine individuals. Your Committees received comments on this measure from the Department of Taxation; Department of the Attorney General; Office of Information Practices; Office of the Mayor of the County of Kaua'i; Department of Planning of the County of Kaua'i; Tax Foundation of Hawaii; Aqua-Aston Hospitality, LLC; Hawai'i Association of Realtors; Rental by Owner Awareness Association; Expedia Group; and one individual.

Your Committees find that the transient accommodations tax generates a substantial amount of revenue for the State, but due to the recent proliferation of short-term vacation rentals, increased enforcement efforts are needed to regulate transient accommodations that include traditional accommodations and short-term vacation rentals. This measure improves enforcement of land use regulations relating to transient vacation rentals, while facilitating the collection of tax revenue from transient vacation rentals, which will ensure transparency, enforcement, and accountability among online transient vacation rentals while preserving the quality of life for Hawaii residents and visitors.

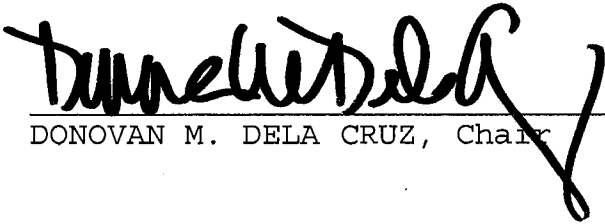
Your Committees have amended this measure by:

- (1) Inserting an effective date of March 15, 2094, to encourage further discussion; 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. 1292, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1292, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Ways and Means,

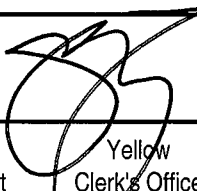

DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair



The Senate
Thirtieth Legislature
State of Hawai'i


Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:*	Committee Referral:	Date:		
SB1292, SD1	EET/CPH/JDC/WAM	2/26/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
WAKAI, Glenn (VC)	✓			
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
FEVELLA, Kurt	✓			
TOTAL	5	0	0	0
Recommendation:		<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SBI292, SD1	EET/CPH, JDC/WAM	2/26/2019		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	/			
KEITH-AGARAN, Gilbert S.C. (VC)				/
ENGLISH, J. Kalani	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.				/
KAHELE, Kaiali'i				/
KANUHA, Dru Mamo	/			
KIDANI, Michelle N.	/			
MORIWAKI, Sharon Y.	/			
RIVIERE, Gil				/
SHIMABUKURO, Maile S.L.	/			
TANIGUCHI, Brian T.	/			
FEVELLA, Kurt	/			
TOTAL	9			4
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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