

STAND. COM. REP. NO.

2399

Honolulu, Hawaii

FEB 17 2022

RE: S.B. No. 3023
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Energy, Economic Development, and Tourism, to which was referred S.B. No. 3023 entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS,"

beg leave to report as follows:

The purpose and intent of this measure is to prohibit real estate brokers and agents licensed in the State from advertising, offering for rent, receiving any remuneration for, or in any way representing illegal transient vacation units and whole-home short-term rentals.

Your Committees received testimony in support of this measure from the Real Estate Commission, Hawaii Thousand Friends, Livable Hawaii Kai Hui, Ko'olau Waialua Alliance, Save North Shore Neighborhoods, UNITE HERE! Local 5 Hawaii, and nineteen individuals. Your Committees received testimony in opposition to this measure from two individuals.

Your Committees find that the growth of the short-term rental industry in recent years has resulted in many local neighborhoods being overrun by illegal rentals, which has increased noise, traffic and parking problems, and disrupted the stability and character of many rural communities. This measure will help curtail the referral and commissioning of illegal vacation rentals to enhance efforts to protect residential neighborhoods. Your



Committees note the concern raised in testimony that the activity prohibited by this measure, as currently drafted, is established in session law and would instead be better placed into existing statute to provide the Real Estate Commission an appropriate enforcement mechanism.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language into section 467-14, Hawaii Revised Statutes, to grant the Real Estate Commission authority to discipline a licensee for, in any way, advertising, promoting, representing, receiving remuneration for, or offering for rent any transient vacation unit or whole-home short-term rental unless the unit or rental is permitted by the relevant county;
- (2) Deleting language that would have inserted the requirements of this measure into session law and deleting the requirement of the Real Estate Commission to amend its administrative rules by December 31, 2022;
- (3) Inserting definitions for the terms "transient vacation unit" and "whole-home short-term rental";
- (4) Inserting an effective date of December 31, 2050, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

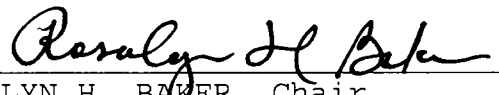
As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3023, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3023, S.D. 1, and be referred to your Committee on Judiciary.



Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and Energy,
Economic Development, and
Tourism,



GLENN WAKAI, Chair

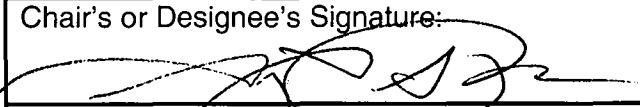


ROSALYN H. BAKER, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SB 3023	CPN/EET, JDC	02-08-2022
<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	
BAKER, Rosalyn H. (C)	/	
CHANG, Stanley (VC)	/	
DECOITE, Lynn	/	
NISHIHARA, Clarence K.	/	
RIVIERE, Gil	/	
SAN BUENAVENTURA, Joy A.	/	
FEVELLA, Kurt	/	
TOTAL	1	
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		

*Only one measure per Record of Votes

