

STAND. COM. REP. NO. 2288

Honolulu, Hawaii

FEB 14 2022

RE: S.B. No. 3333
S.D. 1

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

Sir:

Your Committee on Energy, Economic Development, and Tourism,
to which was referred S.B. No. 3333 entitled:

"A BILL FOR AN ACT RELATING TO TRANSIENT VACATION UNITS,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize:

- (1) Any person to commence a civil action in district court on that person's own behalf against any owner of a dwelling unit if the owner:
 - (A) Advertises, solicits, offers, or provides the dwelling unit as a transient vacation unit; and
 - (B) Is not authorized by the applicable county to provide the unit as a transient vacation unit; and
- (2) All district courts to hear private civil suits relating to unauthorized transient vacation units.

Your Committee received testimony in support of this measure from City and County of Honolulu Department of Planning and Permitting, Keep it Kailua, and the Hawaii Hotel Alliance. Your Committee received testimony in opposition to this measure from Airbnb, Rental By Owners Awareness Association, and sixteen



individuals. Your Committee received comments on this measure from the Hawai'i Tourism Authority.

Your Committee finds that illegal transient vacation units are increasingly located in residential areas, often in violation of zoning laws and creating conflict with residential neighbors. Although your Committee recognizes the concerns of the testimony in opposition, it believes that the lack of regulatory enforcement on illegal transient vacation units is an urgent issue that merits further consideration.

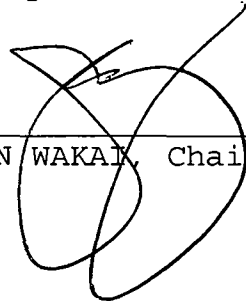
Accordingly, your Committee has amended this measure by:

- (1) Lowering the cap in damages from \$25,000 to \$10,000;
- (2) Inserting language that allows a prevailing defendant owner to be awarded reasonable attorneys' fees in cases where the court finds the plaintiff's claim to be fraudulent or frivolous; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3333, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3333, S.D. 1, and be referred to your Committee on Judiciary.

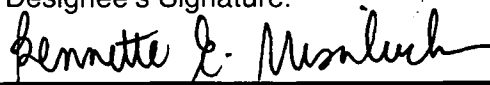
Respectfully submitted on
behalf of the members of the
Committee on Energy, Economic
Development, and Tourism,

GLENN WAKAI, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.:* <i>SB 3333</i>	Committee Referral: <i>EET, JDC</i>	Date: <i>2/4/22</i>		
<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
WAKAI, Glenn (C)	✓			
MISALUCHA, Bennette E. (VC)	✓			
LEE, Chris	✓			
RIVIERE, Gil	✓			
FEVELLA, Kurt	✓			
TOTAL	<i>5</i>	<i>0</i>	<i>0</i>	<i>0</i>
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