

February 4, 2021

The Honorable Nadine Nakamura, Chair
House Committee on Housing
Via Videoconference

RE: H.B. 76 Relating to Counties

HEARING: Thursday, February 4, 2021, at 9:00 a.m.

Aloha Chair Nakamura, Vice Chair Hashimoto, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **opposes** House Bill 76, which makes explicit the counties' authority to enact ordinances to amortize or phase out permitted, nonconforming, or otherwise allowed short-term rentals in any zoning classification. Includes swapping, bartering, or exchange of a residential dwelling, or portion thereof, in definition of "short-term rental" for this purpose.

HAR believes that short-term rentals that lawfully existed prior to the enactment of a short-term rental ordinance—should be allowed to continue (i.e., —grandfathered) if the property owner is able to demonstrate that the short-term rental use pre-dated the ordinance.

For example, in Kaua'i, transient vacation rentals are generally prohibited in residential zoning districts, except within the designated Visitor Destination Areas (VDA) established under the Code. However, single-family transient vacation rentals in non-VDA that were in lawful use prior to March 30, 2009, are allowed to continue, subject to obtaining a nonconforming use certificate. At the time, the owner had to submit a sworn affidavit and show proof, such as payment of all pertinent taxes and that the owner was in compliance.

As such, HAR believes that these property owners that were grandfathered in and have been operating legally and collecting and remitting taxes should be allowed to continue to operate.

Additionally, in 2009, the County of Maui adopted a permitting system that would allow TVRs and Bed and Breakfast operations (“B&Bs”) in residential areas, and established caps on the number of permitted units in specific neighborhoods and districts. Maui County Council has the authority to either repeal the vacation rental permitting ordinances, or issue a moratorium on new permits until more residential housing is available. As such, HAR believes the counties have existing powers to enact zoning ordinances and properly regulate short-term rentals.

Mahalo for the opportunity to testify.



Hawaii State Legislature
House of Representatives
Committee on Housing
Representative Nadine K. Nakamura, Chair; Troy N. Hashimoto, Vice Chair

February 4, 2021 9AM
Conference Room 423
State Capitol
415 South Beretania Street

TESTIMONY IN OPPOSITION TO HB 76

Dear Chair, Vice-Chair, and Members of the Committee:

Thank you for the opportunity to comment on HB 76. At Airbnb, we have a long standing commitment to work with local and state policymakers to develop common sense short-term rental policy. This bill ignores the tremendous progress Airbnb has made working with the individual counties in Hawaii to strengthen and enforce their own local ordinances. Therefore, we believe this bill runs counter to our efforts working collaboratively with local leaders.

After many months of discussion, in June 2020, Airbnb signed a Memorandum of Understanding (MOU) with the County of Kauai. As outlined in the MOU, hosts on Airbnb are required to input a tax map key (TMK) number on listing pages in order to appear on Airbnb's platform. Every month we share a report with the County Department of Planning that includes the URL for each listing and the corresponding host-provided TMK number. The County uses this monthly report to verify the TMK numbers. Hosts that fail to provide a TMK or input an invalid TMK are removed from the platform. As of December 2020, we took action per our agreement and removed non-compliant hosts from our platform.

To support Kauai's enforcement work, Airbnb developed an industry-first compliance tool called the "City Portal" to help Kauai County develop and manage fair short-term rental policies and regulations. In accordance with Kauai's laws, County officials can utilize the City Portal to view Airbnb listings within its registration system and take action if needed.

As a result of our partnership with County of Kauai, Planning Director Hull shared, “The City Portal is a game-changer. We’ve been working with Airbnb for quite some time and we very much appreciate these new resources. The tools allow us to work together to increase transparency and enforcement in Kauai.”

Subsequently in November 2020, we signed a similar MOU with the City and County of Honolulu to help local officials enforce short-term rental rules as outlined by the passage of Bill 89. In Maui, along with Expedia, we’ve been in active discussions with local officials over the course of many months and hope to strike a similar compliance agreement in the near future. In Hawaii County, we worked with the County Council and our host community on the passage and implementation of Bill 108, which created a permitting system for short-term vacation rentals on the Big Island.

In all four counties, there are clear rules and enforcement mechanisms to regulate short-term rentals. In Kauai and Honolulu, Expedia also signed a similar MOU with County officials. HB 76 does not reflect the progress of short-term rental policy on the local level. The bill does not take into account the hard work and collaboration of tools like the City Portal, the important work of the MOUs, and multi-year discussion on short-term rental policy. Short-term rentals are a vital source of supplemental income for local residents, and for many the only source of income. As Hawaii grapples with the economic fallout and lost tourism tax revenues from the COVID-19 pandemic, we see the City Portal and MOUs in partnership with Counties as a major step toward supporting the return of safe and responsible travel to help boost the state’s recovery and protect a source of needed income for everyday people. For those reasons, we urge you to vote no on HB 76.

Mahalo for the consideration of our comments.

Sincerely,

A handwritten signature in cursive script that reads "Adam Thongsavat".

Adam Thongsavat
Airbnb Public Policy, Hawaii

HB-76

Submitted on: 2/2/2021 11:42:37 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Chuck Prentss	Keep It Kailua	Support	No

Comments:

Fully support. Essential for effective enforcement.

HB-76

Submitted on: 2/2/2021 7:37:04 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Iliahi Curtis	The Bali House at Kehena beach	Oppose	No

Comments:

Aloha,

My husband and I own and operate a small short term vacation rental on the south east side of the Big Island that is located just a block away from where we live now that used to be our home for many years until we had to move away due to health issues. We rely on this income as our major source that pays almost everything. Our location is remote there is not much work in this area and many people rely on us STVR for employment so does the local business in the area that really rely on tourists that really do not come this way. Since we now have a STVR NUC with the County of Hawaii, my guests follow many of the rules of no noise at certain times etc. We have never had any complaints from neighbors over 12 yrs. Please do not pass this HB76.

It would be devastating to us, we have already fought to keep legal ones permitted in the last 2 years. Maybe you should regulate non-permitted ones on unhosted which are not regulated at this time.

Many mahalos,

Janet Iliahi Curtis

HB-76

Submitted on: 2/3/2021 7:40:11 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Donald J Krigsvold Sr.	Hale Kipa Fern Forest LLC	Oppose	No

Comments:

I am a registered voter in the state of Hawaii and resident on in the County of Hawaii. I stand against HB76. I understand the State's ordeal with unpermitted vacation rentals and lack of revenue it is getting from those short term vacation rentals. It should address those lost revenues and unpermitted locations in a different matter. As for the properties that are now legal and permitted, plus paying the TA taxes they earn, they should be allowed to continue operating. The state needs these locations to help in the economic recovery that is ahead of us. They bring revenue to the state and areas the tenants are staying. They help support all of the small business in our area. This bill, in my eyes, is just for big corporations and Hotels to put a monopoly on places to stay. There are already laws to oversee short term rentals. Enforce those laws and don't take the income away from those residents and tax payers that have complied with the state laws. These are established permitted vacation rentals that pay taxes which in turn pays yours, the Legislature's salary. You should be trying to support the small Mom and Pop businesses not shutting them down.

Thank you,

Donald J. Krigsvold

HB-76

Submitted on: 2/3/2021 8:58:57 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
jen russo	Maui Vacation Rental Association	Oppose	No

Comments:

February 3, 2021

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

We do not support this bill.

We do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals on the island than hotel rooms according to Real Property Tax data.

Lodging type	2019 count	Share of the market	Taxes Collected in 2019	Taxes share of the market	Average per Unit
Hotel operations -46 hotels	7372	34%	\$33,118,802	19.37%	\$4,493
Condos TVR	11115	51%	\$93,351,666	54.60%	\$8,399
Bed and Breakfast operations	157	1%	\$954,511	0.56%	\$6,080
Legal/Permitted VR	554	3%	\$7,200,075	4.21%	\$12,997
Timeshare	2479	11%	\$36,337,736	21.25%	\$14,658

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

State representative Kyle Yamashita discussed economic recovery with us at a meeting at the Chamber, who was urging diversification from the business sector, and also strongly suggesting that the model be something like the visitor industry that taxes itself, like with the TAT and in our county via-real property tax.

We already know vacation rentals are the number one source of revenue for Maui County in Real Property Taxes, raising \$114 million in FY2020 while being closed for a portion of this year. I don't think this is the time to tamp down on creating revenue from this sector. We can and we do harness these funds to create new economic opportunities in our communities.

Thank you for considering my testimony.

Jen Russo

[Maui Vacation Rental Association](#)

HB-76

Submitted on: 2/2/2021 4:42:04 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott Brazwell	Individual	Oppose	No

Comments:

I ask you to strongly oppose HB76. In this time of extreme economic distress for our governments and local people, it is hard to understand how this Bill is even being considered at this time. Short term rentals are a preferred accomodation for many visitors as well as a crucial source of income for many local hosts.

I would ask that at a minimum you make an exception for home owners that live on their properties. This Bill could easily be the "straw that broke the camel's back" for retirees and young home buyer that are just hanging on right now. Please do not place the interest of off island investors, over the needs of these people, and oppose HB76.

Testimony HB 76
February 4, 2021 at 9:00AM
Conference Room 423
COMMITTEE ON HOUSING

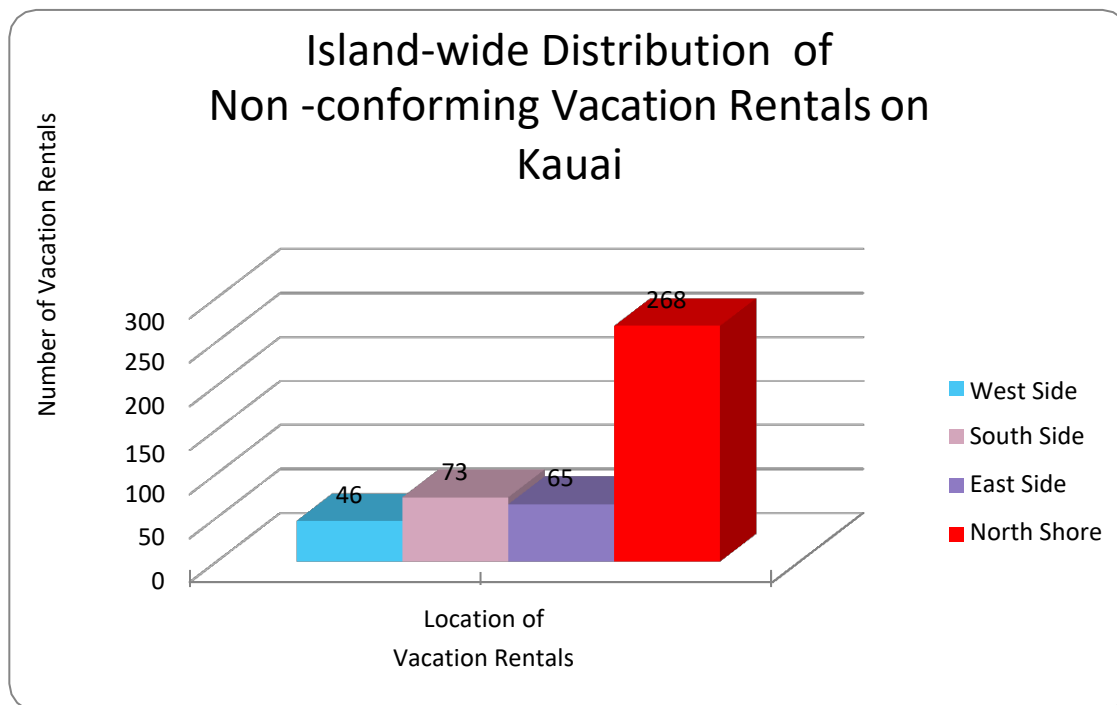
Testimony in Support of HB 76, RELATING TO COUNTIES.

Aloha Rep. Nadine K. Nakamura, Chair, Rep. Troy N. Hashimoto, Vice Chair and Members of the Committee on Housing,

For the safety and welfare of visitors and residents please support HB 76, which gives the counties' authority to enact ordinances to amortize or phase out permitted, nonconforming short-term rentals. The largest concentration of Transient Vacation Rentals (TVR) operating outside of the Visitor Destination Area (VDA) on Kauai is in the residential, flood and tsunami evacuation zones on the island's North Shore. Access to the Hanalei District is limited by seven historic one lane bridges traversing the Historic Route #560 corridor through high hazard areas experiencing coastal erosion, inundation and prone to severe storm event. The flood events of April 2018 resulted in eighteen (18) landslides, isolating neighborhoods and vulnerable residents and dramatically demonstrating the designation of these areas as "hazardous". Four hundred and seventy-three (473) visitors from the Wainiha/ Hā'ena area were evacuated by helicopter. An uncounted number were evacuated by boats operated by citizens and the Hawaii National Guard.

The expansion of the Visitor Destination Area in contravention of Kauai's zoning laws in this area clearly puts residents, tourists and rescuers in harm's way. Residents and first responders assisted uninformed and ill prepared tourists in these evacuations, risking their own safety.

The continuation of TVR uses in this area is a health, welfare and safety risk for residents and tourists and comes at great risk and financial burden when an emergency occurs.



The following are critical factors to consider

- Safety and welfare of residents and visitors
- Recurring coastal hazards
- Overlapping coastal hazards
- Flood hazards
- Tsunami hazards
- Lack of evacuation routes
- Lack of infrastructure
- Lack of essential emergency services, fire, police, ambulance
- Lack of food and water services
- Lack of capacity
- Lack of disclosure warnings and associated liability
- Lack of wastewater capacity
- Lack of adequate setbacks to rivers and associated hazards
- Lack of adequate setback along dynamic shores especially in non-conforming structures
- Resort units in residential areas without the capacity and zoning are a public nuisance

Please support this measure and allow the counties to enact ordinances to amortize short term vacation rentals before the next disaster for the safety and welfare of visitors and community members.

Thank you for your consideration,
Caren Diamond

HB-76

Submitted on: 2/2/2021 5:21:47 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
karin omahony	Individual	Oppose	No

Comments:

I strongly oppose HB76

Allowing counties to prohibit rentals of less than 180 days is absurd. Families and individuals regularly need shorter rentals - people who have sold a home and are moving or buying a new home, temporary military, construction and medical workers often need 30-90 day rentals. Family members come to visit or care for ailing family. People who are moving to Hawaii and need time to find permanent housing need short term rentals. The tourists will just pick another island or state to travel to if hotels are their only choice. It is ridiculous to ignore the much needed income from tourists who don't stay in hotels. Their money actually goes to Hawaii residents and businesses - not to corporate hotel owners. The wealthy won't be affected by this restriction and they have time and money to influence legislation but the middle and lower income residents who rely on this supplemental income will suffer.

This will be another waste of tax payers dollars when the real estate companies challenge this likely unconstitutional or otherwise illegal restriction on homeowners.

thank you for your consideration

HB-76

Submitted on: 2/2/2021 7:14:29 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathrin S Reams	Individual	Oppose	No

Comments:

Hello, I have lived on Kauai for the past ten years. I have served the people of this island as a registered nurse, on call weekend nurse for Kauai Hospice and then full time as State RN at KCCC. I worked hard, I saved my money and I invested in short term vacation rentals in areas zoned specifically for STVR's, as my retirement plan. When the Covid pandemic hit the world, it drastically affected my retirement plans. I am rethinking everything. And learning that the government of Hawaii is considering eliminating the wonderful option for tourists to stay at short term vacation rentals, is beyond belief. Over the years, I have paid my TAT and GET to the State of Hawaii, almost 15% of my rental income. I can not comprehend why the State would let go of this potential income revenue stream. Short term vacation rentals are safe, important, and preferred accommodations for so many visitors to Kauai. When these travelers are able to save money with their stay, they then turn around and spend money supporting the local tour companies, gift shops and restaurants. Hawaii will suffer if they pass this bill. Tourists already are talking online about traveling to other destinations that are more welcoming and accommodating. Please rethink this piece of legislation. I totally understand dealing with the illegal STVR's but please those of us that are in zoned areas, and have paid our taxes, are an important crucial option for travelers to our Island.

Kindly,

Kathrin Reams

Written Testamony on HB76

Aloha all,

I am opposed to HB76 in its blatant targeting of short term vacation rentals. I am a 69 year old resident of Puna on the Big Island. I have lived and worked here my ENTIRE life on the Big Island and am using home sharing as a means of supporting myself in retirement on the Big Island. I choose short term because I enjoy meeting people from all over the world and sharing my love for the Big Island to my guests. All of my guests have been exceptional in their respect for my property and my one acre provides ample parking and distancing from my immediate neighbors. I am legal, and pay all of the appropriate taxes to the State and county, ie TAT, GE. I work very hard at keeping my property clean, and safe, and am always conscious about keeping and improving its beauty. I fear that this new effort to eliminate or phase out at your discretion, short term vacation rentals has me in your cross-hairs. I am surprised at the timing of this bill, when all of us are struggling to make ends meet, you come up with a bill that could potentially wipe-out my ability to remain financially independent. I am aware that there are problems that were created in the past and what those politicians and special interest groups created then have now come home to roost, and that this bill somehow in your minds will solve those problems. If you have considered a person like me as a disposable part of your "unintended consequences", I am ashamed to call you a representative of the people.

So the real issue in front of you is one of taking, taking from honest hard working people to solve a problem that requires a higher order of thinking that if not done by you will yet again disenfranchise those in the general welfare class.

Thanks for your attention,

Kenneth T. Honma

2/2/21

HB-76

Submitted on: 2/2/2021 7:38:25 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
AMY ANDERSON	Individual	Oppose	No

Comments:

I have lived in Maui for 24 years, I have used vacation rentals as I visit the other islands and it is so much more affordable than a hotel with my family of 6. Without vacation rentals we would not be able to visit the other islands and explore their beauties and support their economies. Hotels and resorts are too expensive to be a travel option for us.

My husband works in the visitor industry in security and he talks to many people that love to come to Hawaii and stay for extended periods of time in a vacation rental. These are domestic and international travelers and they are good people that love our aloha. They will not be able to come if we do not have vacation rentals.

We own our home in Maui and we have worked hard to get the mortgage paid off. I do not think that the government has the right to control what I can do with my property. If I want to have a long term or short term rental on my property, that is my right. Our cottage is reserved for family visiting and it is a real boost to our supplemental income to be able to rent it out when it is vacant. It seems silly to just leave my house there empty. Short term renting allows me to turn my empty house into something that can produce money for the community.

There are a lot of people looking for housing in Oahu and Maui and I understand that there is a shortage on the housing market. I also know that I am very careful who I want to allow to live in my back yard. I have children and property to protect. Many of the people looking for housing are not the caliber of people that I would rent to. What a blessing it is to be able to choose who can live in my ohana. What if this right would be the next right removed by the government? What if they decided to tell me who I had to rent to? Basically this is what is happening. The regulations are trying to control the demographic that I can rent to - long term. STOP this now. Limit government control of the private citizen. Rental regulation is not needed or wanted. We can govern

ourselves and we should not be penalized for exercising our freedom of choice and judgement of what use of our private property benefits us best.

Aloha,

Amy K. Anderson

HB-76

Submitted on: 2/2/2021 8:32:19 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Denton Sato	Individual	Support	No

Comments:

I am writing in support of HB76. I believe that the prevalence of short term rentals in our residential neighborhoods has been and continues to be detrimental to the local families of Hawaii. The counties should have the power to phase our legal and illegal short term rentals. These rentals have been shown to cause rents to soar as property owners are able to make more money off tourists than from residents of our islands. It has also fostered a housing market which caters to out of state, wealthy individuals who can make a quick buck at the expense of local families as these wealthy individuals are often able to purchase properties in cash. They then flip the properties into short-term rentals, affecting our housing supply and rent prices. The counties should have the ability to shut these short-term rentals down and bring more supply to housing for local families. Rents and property values are already at an all-time high in this expensive paradise, we do not need to drive prices even higher and pricing local families out of our neighborhoods.

HB-76

Submitted on: 2/2/2021 11:40:59 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Theresa Cook	Individual	Oppose	No

Comments:

This bill will devastate families on all islands. I only know local people that worked very hard to earn enough to buy property to then use it to help support of there families. On the Big Island most homes are not In the city or right next to each other but this bill applies to all across the state. People come to these islands to experience it and its people. Short term rentals are an incredible attraction to tourist. Many plan there trip here because of STR. Less and less want to stay in a hotel. Encourage local success, update STR with reasonable restrictions that limit foreign investors and people that do not live here. Regulate homes that are in close proximity to neighbors. Be reasonable. Do not just shut us off. How would you feel if there was a bill that said " let's outlaw working for the government in Hawaii because I disagree with some of its practices ." How would you be affected? That essentially what this bill says. 180 days minimum , What ? Right now homes here are selling fast to people from the mainland because of the lock downs. Why aren't land lords just renting them out , we have a homeless crisis ? Because they can't afford to lower rent with all the other inflated Cost associated with living in Hawaii. There haven't been people staying in short term rentals for Almost a year !!! How do we still have homeless people if STR was the reason they didn't have homes? There are more places to stay than ever since covid started. Why not turn some of those hotels into low income housing? Please, we are already suffering from the consequences of covid, don't take away one of the most essential sources of income we have left. I lost my job, my husbands hours have been reduced and we are not able to afford our mortgage anymore. Short term rental of a room is the difference between us being home owners and foreclosure. Why would you want to take more from us ? When will it be enough?

HB-76

Submitted on: 2/3/2021 8:21:04 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen Ochsenbein	Individual	Oppose	No

Comments:

Please do not pass this bill. Those of us that have permitted vacation rentals are already having a difficult time making ends meet. Why would you want to take away the income for moms and pops that have owned these properties for years. To my knowledge no one has had issues with legal vacation rentals on the islands. Also, the tax dollars that would be lost would be significant, especially when the pandemic has caused such a loss of tax revenue. Please don't keep pounding the nails in the coffin of small business.

HB-76

Submitted on: 2/3/2021 8:24:01 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Matt Longfellow	Individual	Oppose	No

Comments:

The popularity of short term rentals is responsible for the huge gains in tourism we saw up until Covid hit in 2020. The revenue generated by those tourist dollars has helped drive our economy. In addition to attracting more tourists, most short term rental operators are individuals located in Hawaii. Profits derived from these activities stay in Hawaii and are recirculated in the economy which has a much greater impact on the Hawaii economy than when profits are taken by multi-national hotel operators. Profits from hotels are mostly funneled out of Hawaii to their corporate office locations to a much greater degree than with short term rentals. In addition - the high cost of hotels means tourists have less money to spend on other things during their stay, such as activities, restaurants, etc. The high-cost of hotels capture a greater percentage of the tourist budget. The benefit of short term rentals extends far beyond just the short term rental owners themselves and spreads the money out to many other businesses and entities than when hotels capture that money and funnel profits to their corporate partners.

Your job as legislatures are to look out for the interests of the citizens of Hawaii first, not large hotel corporations located outside of Hawaii. Passing a bill like this protects hotels at the expense of, not only short term rental owners, but plenty of other ancillary businesses who benefit from tourist spending.

HB-76

Submitted on: 2/3/2021 8:34:36 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Meetay Moonay	Individual	Oppose	No

Comments:

I will be HOMELESS if this bill passes. Don't destroy my livelihood. We are local Kama"aina and if this passes we will become HOMELESS!!!!

HB-76

Submitted on: 2/3/2021 8:35:57 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jill Paulin	Individual	Oppose	No

Comments:

I oppose this Bill because it brings too much uncertainty to those of us who operate legal short-term rentals. Many of us are retired and rely on this income. We have complied with the current laws, pay permit fees and deserve to know our livelihood will not be taken out from underneath us.

Short-term rentals are the way of future travel. By continuing to move against them, the State is sending a clear message that we don't want guests to visit our islands. We need to be flexible with changes in the travel industry, not work against them. You should never tell you customer what they want to need. We need to listen and adjust. I'm afraid this path will lead to more economic hardship for the State and its residents.

Please vote against this Bill that further strangles this important element of our travel industry.

HB-76

Submitted on: 2/3/2021 8:36:24 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathleen K. Raskowsky	Individual	Oppose	No

Comments:

Dear House Committee,

Short term vacation rentals have been vital for many years in the state of Hawaii. Many families have relied on the extra income to survive. Short-term rentals that have earned permits, NUCs, or otherwise legal status have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens. This money stays on our islands where it is circulated to local businesses within our communities. It also employs house, cleaners, gardeners, pool service, tradesmen in all trades, local shops, restaurants, airlines, car rentals etc.

Thank you,

Kathleen Raskowsky

HB-76

Submitted on: 2/3/2021 8:46:26 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret L H Aurand	Individual	Oppose	No

Comments:

HB76

This bill works a cruel injustice against a Hawaii cottage industry that serves a sizeable and desirable tourist population. A blanket ban on short term rentals sidesteps the specific issues that need to be addressed and puts many mom and pop operations out of business and into poverty. The last thing this legislative body needs to do at this point is to target small business owners, many of them senior citizens, and send them into bankruptcy and possible homelessness. There are on the table at this moment ways to regulate short term rentals so that there is little to no disruption of our neighborhoods and the influx of out-of-state investors is curtailed. Regulate and tax, but do not destroy!

HB-76

Submitted on: 2/3/2021 8:54:50 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melissa Fletcher	Individual	Oppose	No

Comments:

I am a registered voter in the state of Hawaii and resident of the County of Hawaii. I stand against HB76. I understand the State's concerns over unpermitted vacation rentals. Permitted rentals have jumped the hoops, paid their dues, met the intensive requirements that changed during the last round of legislative changes, and enough is ENOUGH. It is not right that goal post should keep moving. STRVs that are now legal are permitted, paying the TA taxes they earn, bring revenue in GE taxes and visitor spending in other avenues, and should be allowed to continue operating - moreover, they should be shown great appreciation as a wonderful and unique attraction for visitors.

The state needs these locations to help in the economic recovery that is ahead of us. They bring revenue to the state and areas the tenants are staying. They help support all of the small business in our area. This bill is clearly and inarguably funded and backed by the large Hotel industry in order to put a monopoly on rental spending by tourists. I believe it is unconstitutional to allow corporations this kind of power. There are already laws to oversee short term rentals. Legislators must focus on enforcing those laws and not take the income away from residents and tax payers that have complied with the state laws. These are established, permitted vacation rentals that pay taxes and provide much needed income for many residents. Legislators should be trying to support the small Mom and Pop businesses not shutting them down. Shame on the person that created this bill and anyone that supports it.

HB-76

Submitted on: 2/3/2021 8:55:15 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
James Cherry	Individual	Oppose	No

Comments:

We oppose HB No. 76. The purpose of this bill appears to give counties, if they so desire, the ability to eliminate all short term rentals. Or the county could target the affordable rentals and leave the luxury expensive ones in business. The state of Hawaii is a precious and beautiful place that should be shared with people of all walks of life – there should not be a class or monetary discrimination.

Short term rentals, whether an apartment, a house, a bed & breakfast or a homestay, are providing many Hawaii state residents with an income. There are so many professions and businesses connected with this type of accommodation; it is not simply the property owner that is affected by this elimination.

RE: Page 6, line 2-6, What is a “reasonable period of time” for the phasing out of short term rentals? How does “reasonable” relate to a young couple who recently purchased their home and are relying on vacation rental income from a “home-stay” permit to help make the payments? What is “reasonable” to an older couple preparing to retire and counting on vacation rental income from their second unit where they live to augment their Social Security benefits?

We urge you not to approve this bill and enact it into law. If affordable housing, or over tourism are concerns then let us find a more equitable way to solve these problems.

HB-76

Submitted on: 2/3/2021 8:57:35 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
vicky Poland	Individual	Oppose	No

Comments:

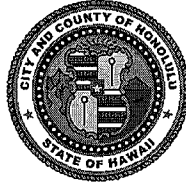
Aloha Committee members and Council Members.

I respectfully ask you to hear my heartfelt plea to leave current Non conforming use rentals alone. We live on an Island that has one of the highest cost of living in the Nation and our along with many legal licensed vacation rental make it possible for us to live and thrive here. Our Inn has been in existance for over 30 years catering to soccer moms, tennis tournament families and local folks who need to come to Oahu to see a Doctor or Specialist. These people do not want to pay the increasingly unaffordable hotel room rates along with the resort fees and parking fees that come with it. Not to mention in this time of Covid 19 Pandemic they do not want to stay in a crowded resort area among lots of travellers. We are such a small fish in a very big pond of Vacation accommodation. In this time of economic downturn and global pandemic is it not those things that should be taking your time instead of such a small amount of people just trying to make ends meet. Rainbow Inn is a safe, quiet rental in our neighborhood. Our neighbors do not have any objection to our operation. Our guests also frequent local eateries and markets thereby helping our local community to thrive also. We are just asking to be left alone to pay our taxes and follow the rules as we always have done. Please reconsider this action. Mahalo for your time. Vicky Poland

DEPARTMENT OF PLANNING AND PERMITTING **LATE**
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.dpp.org • CITY WEB SITE: www.honolulu.gov

RICK BLANGIARDI
MAYOR



DEAN UCHIDA
DIRECTOR DESIGNATE
DAWN TAKEUCHI APUNA
DEPUTY DIRECTOR
EUGENE H. TAKAHASHI
DEPUTY DIRECTOR

February 4, 2021

The Honorable Nadine K. Nakamura, Chair
and Members of the Committee on Housing
Hawaii House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 9683

Dear Chair Nakamura and Committee Members:

**Subject: House Bill No. 76
Relating to Counties**

The Department of Planning and Permitting (DPP) **supports** House Bill No. 76, which makes explicit the counties' authority to enact ordinances allowing for the reasonable amortization or phasing out of permitted, nonconforming, or otherwise allowed short-term rentals.

Currently, HRS 46-4(a), states in pertinent part, "In no event shall such amortization or phasing out of nonconforming uses apply to any existing building or premises used for residential (single-family or duplex) or agricultural uses." This sentence disallows the amortization or phasing out of nonconforming residential uses.

Transient accommodation uses, or short-term rentals, could be interpreted as "residential uses" for purposes of this part, and therefore not subject to amortization or phasing out. This Bill specifies that the counties may amortize or phase out nonconforming transient vacation accommodations, which may assist the counties in better controlling short-term rentals in particular areas if needed.

Thank you for this opportunity to provide testimony.

Very truly yours,

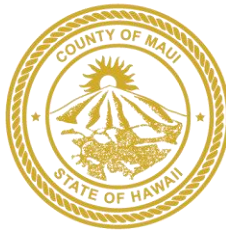
A handwritten signature in black ink, appearing to read "D. Uchida", is written over a circular stamp.

Dean Uchida
Director Designate

MICHAEL P. VICTORINO
MAYOR

MICHELE CHOUTEAU MCLEAN, AICP
DIRECTOR

JORDAN E. HART
DEPUTY DIRECTOR



LATE



DEPARTMENT OF PLANNING
COUNTY OF MAUI
ONE MAIN PLAZA, 2200 MAIN STREET, SUITE 315
WAILUKU, MAUI, HAWAII 96793

February 3, 2021

TESTIMONY OF MICHELE CHOUTEAU MCLEAN, AICP
PLANNING DIRECTOR
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON HOUSING
Thursday, February 4, 9:00 A.M.
Conference Room 423

HB76 RELATING TO COUNTIES

Representative Nadine K. Nakamura, Chair
Representative Troy N. Hashimoto, Vice Chair
Honorable Members of the House Committee on Housing

Thank you for this opportunity to testify in **SUPPORT** of HB76.

The counties have long had the authority under HRS 46-6 to eliminate nonconforming uses as they are discontinued, or to amortize nonconforming uses over time in certain zoning districts except for single-family residential use. This is reasonable so that our housing is protected. However, if a county wished to amortize nonconforming (or “grandfathered”) short-term rental use in single-family dwellings, the current language of HRS 46-6 would likely not allow it. HB76 remedies this shortcoming.

As you are well aware, Maui County, like the other counties, struggles to regulate and enforce short-term rental uses. These are allowed in Maui County by three means: zoning, including hotels and certain apartments; permits, including Bed and Breakfast Home (B&B) and Short-term Rental Home (STRH) permits; and grandfathering, which applies to many properties but does not comprise a significant number of our vacation rental stock. The current language of HRS 46-6 would already allow the first category of use to be amortized; the second could be amortized through changes to our B&B and STRH ordinances; but the third cannot currently be accomplished without the proposed bill.

It would, therefore, be helpful for the counties to have this tool if it is needed to help in our vacation rental regulation and enforcement efforts. Your support of HB76 would be appreciated.

LATE

DEPARTMENT OF PLANNING

KA'ĀINA HULL, DIRECTOR

JODI A. HIGUCHI SAYEGUSA, DEPUTY DIRECTOR

LATE



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of County of Kaua'i, Department of Planning

Ka'āina Hull, Director of Planning

A handwritten signature in black ink, appearing to be "Ka'āina Hull", written over a horizontal line.

Before the

House Committee on Housing

February 4, 2021 at 9:00 AM

House Conference Room via Videoconference

In consideration of

HOUSE BILL 76

Relating to non-conforming short-term rentals and amortization

To the Honorable Chair Nadine K. Nakamura, Vice Chair Troy N. Hashimoto, and members of the Committee:

The County of Kaua'i, Department of Planning has concerns with House Bill 76. We appreciate the Legislature's attention to this matter. We have lobbied for the past 4 years for this exact policy shift that grants authority to the counties to amortize non-conforming vacation rentals. At this time, we no longer believe that this bill is necessary. We appreciate the partnership and work that has been done from a state policy level in the past to provide the counties with additional tools to enforce against illegal transient vacation rentals (TVRs).

Very recently, however, we were able to secure Memorandum of Understandings (MOUs) with both Airbnb, Inc. and Expedia (attached). These MOUs are a partnership and collaboration between our County and the two largest booking platforms in Hawaii's vacation rental market.

The MOUs require every TVR host that advertises on these platforms to provide their specific location via their Tax Map Keys (TMKs). Any TVR operator that is unwilling to provide their TMK is removed from the platform, and pursuant to the MOUs, the platforms themselves have already removed several hundred of these operators that refused to provide their TMK information. The TMK list is provided to us monthly. We have just begun getting these lists in December. We are currently working to cite those illegal operators that we find on the lists and subsequently have the platforms remove those illegal operations from advertising on their websites.

Airbnb, Inc. has also gone beyond the MOUs parameters and have provided us with access to their new industry compliance tool, City Portal. This tool works much like a backdoor pass to Airbnb's platform with which our TVR enforcement team can utilize to query TVR listings by TMK and directly access the TVR's advertisements and other pertinent data.

The MOUs also reserve the right for the platforms to withdraw from the agreement should either the County or the State adopt additional legislation or policies regarding TVRs. As such, the adoption of HB 76 could put our MOUs and private-public partnership in jeopardy.

The County of Kaua'i, Department of Planning is still in the relative early stages of our partnerships with these two companies; however, we have seen swift action by both companies to remove illegal listings, and the tools that they are providing us with are unprecedented.

Some may point out that once removed from Expedia or Airbnb, illegal operators can turn to other platforms to advertise. While this is true, these two operators represent up to 70 percent of Kaua'i's market share of TVRs. We are working to hopefully secure MOUs with other smaller platforms, but even in the absence of them, monitoring these smaller platforms for illegal operations is a manageable task for our TVR enforcement team.

The County of Kaua'i, Department of Planning respectfully requests that House Bill 76 be held due to the risk it poses in jeopardizing a meaningful and impactful partnership that we currently have with the two primary third-party platforms in the vacation rental market.

The County of Kaua'i, Department of Planning greatly appreciates your consideration.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is entered into by and between Expedia, Inc. (“Expedia”), and Kauai County (the “County”).

1. **Mandatory Field:** Expedia will create a mandatory field for the government-issued Tax Map Key number (TMK). Partners listing a Single Family Transient Vacation Rental or Homestay on Expedia’s websites will be required to provide the TMK number before their property will appear as a listing.
2. **Display of Number on Listings:** Expedia will display the partner-provided TMK number on the partner’s publicly facing property listing.
3. **Listing Removal for Failure to Include Number:** When the mandatory field is implemented, Expedia will not allow any new listings to appear on its websites without the partner having entered a TMK number. Existing listings will have a phase-in period to enter a TMK number. Specifically, beginning 60 days after implementation of the mandatory field, Expedia will deactivate any listings that pre-date the implementation of the mandatory field for which the partner has failed to input a TMK number.
4. **Link to County’s Information:** Expedia will display a link to the County’s licensing and information webpage in close proximity to the mandatory field. That website is <https://www.kauai.gov/Government/Departments-Agencies/Planning-Department/Transient-Vacation-Rentals>
5. **Owner Education:** Before the mandatory field is launched, Expedia will communicate to partners regarding the County’s requirements, including that they will need to enter a TMK number to continue to list their property on Expedia’s websites.
6. **Monthly Report:** Each month, for the Single-Family Transient Vacation Rentals and Homestays on its websites, Expedia will send a report to the County that includes the URL for each such property together with the partner-provided TMK number for that property. The report will be submitted on the last business day of the month. The first report due pursuant to this Paragraph will be submitted after the 60-day implementation period described in Paragraph 3.
7. **Deactivation of Listings:** Using the monthly report, the County may check the validity of the TMK numbers provided by partners. If any numbers are invalid, the County may notify Expedia, providing a reason for the invalidity. For example, the number has expired, been revoked, was never valid, or is not the TMK number associated with a permitted Transient Vacation Rental or Homestay. Expedia will remove the listing(s) associated with those invalid numbers within five business days of the County’s notification. The County will not send more than two such notifications per month. Each notification may identify multiple listings or properties. Notifications should be sent to: KauaiCountySupport@expedia.com.

Expedia:

Expedia, Inc.
1111 Expedia Group Way W.
Seattle, WA 98119
Email: kbennard@expediagroup.com
Attention: Kristina Silja Bennard
Senior Corporate Counsel
Expedia, Inc., Legal & Corporate Affairs

The County:

Kaaina Hull
Director of Planning, County of Kaua'i
4444 Rice Street, Suite A473
Lihue, HI 96766-1300
khull@kauai.gov

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers.

Expedia:
Expedia, Inc.



Name: Amanda Pedigo
Title: Vice President, Government & Corporate
Affairs
Date: 06/23/2020

The County:
Kauai County



Name: Derek S. K. Kawakami
Title: Mayor
Date: 6/25/2020

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into by and between Airbnb, Inc. ("Airbnb") and the County of Kauai ("County") (collectively, the "Parties") as of the date signed by both parties (the "Effective Date").

WHEREAS, short-term rentals via online platforms are an emerging sector of the sharing economy, providing "Hosts" and "Guests" new outlets for safe and responsible home-sharing and affordable accommodations when traveling for tourism, business, and personal reasons;

WHEREAS, short-term rentals promote the efficient use of existing resources, including residential space, and are an acceptable and welcomed use in the County when legally operated::

WHEREAS, Kauai provides law-abiding residents the opportunity to offer and use short-term rentals in an orderly manner, consistent with state and local law, while also preserving the quiet nature and atmosphere of residential areas;

WHEREAS, this MOU provides the County, in collaboration with Airbnb, the reasonable ability to regulate short-term rentals within the County;

WHEREAS, this MOU sets forth the mutual understanding of Airbnb and the County on Airbnb's implementation of a tax map key number field and the Parties' notice and takedown procedure to advance the County's enforcement of its laws regulating short-term rentals.

NOW, THEREFORE, the Parties hereto agree as follows:

1. DEFINITIONS

1.01 "Department" means the Kauai County Planning Department.

1.02 "Homestay" means an owner occupied dwelling unit in which overnight accommodations are provided to transient guests within the same dwelling unit in which the owner resides and the respective owner currently benefits under Sec. 5A-11 of the Kauai County Code ("Code") for a homeowner's exemption for the homestay site as defined in Sec. 8-1.5 of the Code.

1.03 "Single Family Transient Vacation Rental" means a single family dwelling unit, other than homestay, which is used as a transient vacation rental as defined in Sec. 8-1.5 of the Code.

2. AIRBNB RESPONSIBILITIES

2.01 **Mandatory Field:** Beginning no later than 130 days after the Effective Date, Airbnb will create a mandatory field for the government-issued Tax Map Key number (TMK). Hosts listing a Single-Family Transient Vacation Rental or Homestay will be required to provide the TMK number before their property will appear on Airbnb's platform.

2.02 **Display of Number on Listings:** Subject to the terms of the MOU, Airbnb will display the host-provided TMK number on a host's Single-Family Transient Vacation Rental or Homestay publicly facing property listing on Airbnb's platform.

2.03 **Listing Removal for Failure to Include Number:** Beginning no later than 60 days after the mandatory field is implemented or later based on mutual written agreement of the Parties, Airbnb will deactivate on a one-time basis any Single-Family Transient Vacation Rental or Homestay listing that pre-dates the implementation of the mandatory field for which the host has failed to input a TMK number. Hosts that have been removed will be able to relist on Airbnb's platform once they enter a TMK number.

2.04 **Link to County's Information:** Airbnb will display a link to the County's licensing and information web page on Airbnb's responsible hosting page. That website is located at <https://www.kauai.gov/Government/Departments-Agencies/Planning-Department/Transient-Vacation-Rentals>.

2.05 **Owner Education:** Prior to the launch of the mandatory field, Airbnb will communicate to hosts regarding the County's requirements, including that they will need to enter a TMK number to continue to list their Single-Family Transient Vacation Rental or Homestay properties on Airbnb's platform.

2.06 **Monthly Report:** Each month, for the Single-Family Transient Vacation Rentals and Homestays on its platform, Airbnb will send an electronic report to the Department that includes the URL for each such listing together with the host-provided TMK number for that property. The electronic report will be submitted on the last business day of the month. The first report will be submitted no later than the 60 days after the launch of the mandatory field.

2.07 **Deactivation of Listings:** Beginning no earlier than 180 days after the Effective Date, using the monthly report set forth in Sec. 2.06 of the MOU, the County may check the validity of the TMK numbers provided by Airbnb. If any numbers are invalid, the County may notify Airbnb, providing a reason for the invalidity. For example, the number has expired, been revoked, was never valid, or is not the TMK number associated with a permitted Transient Vacation Rental or Homestay. Prior to the County's notification to Airbnb, the County will provide a list of reason codes that specify the basis for the listing's removal. Upon receipt of the

County's notice. Airbnb will remove the listing(s) in the County's notification within seven business days. The County will not send more than two such notifications per month. Each notification may identify multiple listings or properties. Notifications should be sent to: andrew.fede@airbnb.com.

2.08 Meet-and-Confer: If the County believes that Airbnb is not complying with any of the provisions set forth in this MOU, it shall notify Airbnb and the parties shall meet and confer in good faith to resolve any dispute. The County will provide Airbnb reasonable time to resolve or cure any alleged violation or non-compliance of this MOU.

3. MOU TERM

3.01 Effect of Changes in Law: This MOU shall commence on the Effective Date and remain in effect until terminated by either party upon 60 days' prior written notice to the other party. If the County or State of Hawaii amends its ordinances, state statutes, regulations, administrative rules or policies to be more restrictive, or otherwise allows for more restrictions, for Transient Vacation Rentals or Homestays or imposes, or otherwise allows for, additional obligations on short-term rental hosting platforms, Airbnb reserves the right to terminate this MOU, in its entirety, within 60 days' prior written notice to the County. In the event the Parties withdraw from the MOU or this MOU is otherwise terminated, the Parties shall be returned to the legal positions they occupied prior to execution of this MOU.

3.02 Effect of other Platform Agreements: If any more favorable term or condition related to the listing and display of a TMK number for a Single-Family Transient Vacation Rental and Homestay listing or the County's enforcement of such unregistered listings as applied to a short-term rental hosting platform, is or has been agreed to by the County with another short-term rental hosting platform, the County shall notify Airbnb within 5 business days, and shall agree to amend this MOU to substitute or add the more favorable term or condition within 30 business days.

4. MISCELLANEOUS

4.01 Geographic Scope. This MOU, and the obligations imposed on the Parties, are limited to Single-Family Transient Vacation Rentals and Homestays located within the County.

4.02 MOU Amendments: This MOU may be modified or amended at the mutual discretion of the Parties by written amendment signed by both Parties.

4.03 Counterparts. This MOU may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The parties will accept emailed PDFs of signature pages. The Parties hereby consent to the use of electronic

signatures in connection with the execution of this agreement, and further agree that electronic signatures to this agreement will be legally binding with the same force and effect as manually executed signatures.

4.04 Governing Law: This MOU shall be deemed to be made under, and shall be interpreted in accordance with the laws of the State of Hawaii and the laws of the United States, as applicable.

4.05 Contact and Notice Information: All notices and other communications related to the administration of this MOU will be in writing and delivered to the Parties using the following email addresses and/or physical addresses:

Airbnb, Inc.:

City:

Airbnb, Inc.
Matt Middlebrook
matt.middlebrook@airbnb.com

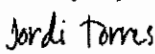
The County of Kauai
Kaaina Hull
khull@kauai.gov

With a copy sent to:
Benjamin Lee
ben.clee@airbnb.com

With a copy sent to:
Matthew Bracken
mbracken@kauai.gov

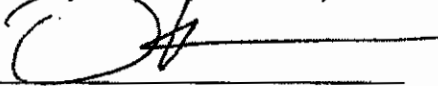
IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be executed by their duly authorized officers.

Airbnb:
Airbnb, Inc.

DocuSigned by

004CF558D704420

Name: Jordi Torres
Title: Regional Director of the Americas
Date: June 27, 2020

The County:
County of Kauai



Name: Derek S.K. Kawakami
Title: Mayor
Date: June 27, 2020

LATE

HB-76

Submitted on: 2/3/2021 10:46:51 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brett Hulme	Waikiki Banyan	Oppose	No

Comments:

-

Aloha,

I strongly oppose HB76 for the following reasons:

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers demand and they provide an important source of income for that State of Hawaii, via tax revenue, as well as people and businesses in the state of Hawaii. This money stays on our islands where it is circulated to local businesses within our communities.

In addition, short-term rentals that have earned permits, NUC's, or otherwise legal zoning status have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

This proposed Bill would negatively impact the livelihood of so many people and jobs that directly support and benefit from short-term rentals. In addition, travelers demand and expect accommodation choices; this bill would severely limit lodging choices and require them to only stay in hotels.

The state of Hawaii depends on tourism. I pray that you will consider the overwhelming negative financial impact that this proposed bill will have on so many people and businesses and loss of tax revenue for the State of Hawaii.

Mahalo,

Brett Hulme

Waikiki Banyan

201 Ohua Avenue

T1-1703

Honolulu, HI 96815



LATE

The House of Representatives
The Thirty-First Legislature
Regular Session of 2021

To: Committee on Housing

Date: February 2, 2021

Place: Conference Room 423
Hawaii State Capitol
415 South Beretania Street Honolulu,
Hawaii 96813

RE: **HB 76 Relating to Counties**

Chair Nadine Nakamura, Vice Chair Tony Hashimoto and Representatives of the Committee:

Rental By Owners Awareness Association (RBOAA) fully supports compliance with State taxation laws and County zoning regulations.

RBOAA has concern with a number of the provisions of HB 76. We ask that this bill be **deferred** and offer the following:

HB76 allows the counties to enact ordinances to amortize or phase out legally operating, permitted, nonconforming, or otherwise allowed short-term rentals in ANY zoning classification. This Bill is not focused on illegal operators, it is focused on those who operate legally.

This Bill is aimed at eliminating **legally operating short term vacation rentals** by providing a means of amortization in **any zoning classification**. This would include resort zones, visitor destination zones, operators with permits and licensing, and all other operators conducting business in full compliance of applicable county codes.

Each county has zones where short term vacation rental has been allowed and legal for decades. Many extend back as far as the 1960s. Waikiki has had short term rentals since the beginning of its development. Maui's Kaanapali since 1962. Big Island also since the 1960s. Kauai's Princeville since 1986. Each county over time has introduced its own zoning and permitting process. All of these areas, and particularly the outer islands, were specifically developed under the State adopted Plan from the late 1950s. These resort/vacation zones are not newly created.

All of these legally zoned tourism/resort zones that allow for short term rental (defined in the State statutes as Transient Accommodations), interestingly, would be closed down. However hotels (also defined as Transient Accommodations) would still be allowed.

Many owners of property within these zones have operated short term vacation rentals in full compliance of county zones/codes and in full compliance of State TAT/GET and personal income tax requirements.

But now, these legally operating businesses are being threatened with closure. We believe that elimination of businesses would be an **inverse condemnation** and subject to just compensation for the loss of business.

Sincerely,

Alicia Humiston, President
Rentals by Owner Awareness Association

LATE



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 423
THURSDAY, FEBRUARY 4, 2021 AT 9:00 A.M.**

To The Honorable Nadine K. Nakamura, Chair;
The Honorable Troy N. Hashimoto, Vice Chair; and
Members of the Committee on Housing,

OPPOSITION HB76 RELATING TO COUNTIES

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce, in the county most impacted by the COVID-19 pandemic in terms of our dependence on the visitor industry and corresponding rate of unemployment. I am writing share our opposition to HB76.

We strongly oppose this bill as it is poorly written and confusing to many groups. We were surprised to see this bill as we understand short-term rental permits are already under the purview of the counties. However, in requesting additional information, we found that the intent was to give authority to the counties so they could work directly with online promotional sites to help with illegal short-term rental enforcement. We understand and generally agree with the intent, but this bill is not clear and has left many wrong impressions.

If the committee feels this bill needs to move forward, we ask that the bill be gutted and appropriately reflect the original intent (that is not clear to the public at this time) to help assist the counties in addressing enforcement of illegal short term rentals, protect consumers and direct consumers to legitimate short term rentals.

Mahalo for your consideration of our testimony.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

LATE



335 Hahani Street #342132 * Kailua, HI 96734 * Phone/Fax (808) 262-0682 E-Mail: htf3000@gmail.com

February 4, 2021

COMMITTEE ON HOUSING

Rep. Nadine K. Nakamura, Chair
Rep. Troy N. Hashimoto, Vice Chair
Committee Members

HB 76 RELATING TO COUNTIES

Hawaii's Thousand Friends, a non-profit organization dedicated to ensuring that growth is reasonable and responsible and that planning and land use decisions protect natural and cultural resources and human health and are implemented in conformity with the law, has the following comments on HB 76.

We do not believe it is neither practical nor wise to amortize or phase out permitted short-term rentals in resort-zoned areas, which is implied by the reference to "any zoning classification". Short-term rentals are appropriate in resort zoning so this wording should be removed.

The reference "by someone other than the owner" should be removed because it defeats the entire purpose of the bill. If left in it means that short-term resident owners could not be phased out.

Mahalo for your consideration of these suggested changes.

LATE

HB-76

Submitted on: 2/3/2021 10:49:00 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
McKay Murdock	Love Hawaii Villas	Oppose	No

Comments:

I am a local Oahu businessman born in Kahuku. Our company manages 30 legal vacation rentals with many local employees. Our rentals generate hundreds of thousands of dollars in tax revenue alone each year. I personally manage 1 NUC/TVU property in Kailua. I am directly involved in all guest relations, check ins, check outs, etc. Because I'm so involved, I can make sure that the guests adhere to the laws and ordinances associated with the TVU license. I also take great care to contribute to the neighborhood as needed. The public beach access should be maintained by the city but it is usually in a state of overgrowth. We work hard to keep that beach access clear and trimmed for public enjoyment. These LEGAL vacation properties are not just another "rental property" they are sources of tax revenue, sole sources of income for thousands of local families, the only safe option for tourists to come to Hawaii and truly social distance. The owners of these properties understand the laws that govern these NUC/TVU properties and take those laws very seriously. The county must hold up their end of the deal concerning this NUC licenses. I have seen first hand the lengths that our owner clients have gone to appease the DPP and always keep the rules surrounding the license. Taking away these licenses would have a multi billion dollar negative effect on our already precarious local economy.

LATE

HB-76

Submitted on: 2/3/2021 1:13:01 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Fox	2 Papayas, LLC	Oppose	No

Comments:

I am opposed to this bill as this is the livelihood for myself and four employees. All the homes we manage have gone through the rigorous process of being legal STVRs with NUC permits. If we were not allowed to rent, we would be out of business. You not only affect our livelihood, which has already been affected by Covid, but also the livelihood of our housekeepers, window and carpet cleaners, repair persons, Home owners, pool cleaners, screen repair, pest control, and landscapers to name but a few! We operate legal rentals which comply with all current laws, contribute to the livelihood many many people in this time of economic woe. We should not be lumped in with NON legal rentals as we have done everything required by our County. We also contribute greatly to tax income for the County and State through income taxes and GE and TA taxes of nearly 15%

Please do not put us out of business. Our guests do NOT want to stay in a crowded hotel particularly at this time of Covid fear.

Mahalo for your time,

Mary Fox

LATE

HB-76

Submitted on: 2/3/2021 1:51:48 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robbie Jose	2 Papayas LLC	Oppose	No

Comments:

Aloha, I was born and raised on the Big Island, worked in technology in the silicon valley for 20 years and moved home 19 years ago and have been working in the vacation rental industry since returning. When I have traveled over the years I have preferred staying in a vacation rental vs. a hotel so from my own experience I have seen a change in visitor preference over the last few decades. Many visitors around the country/world now prefer renting a vacation rental home verses staying at a Hotel or Resort to have the privacy, ability to feel like a home away from home and return year after year. Vacation Rentals provide income to many local businesses, farmers markets, tours, restaurants, excursions etc. We have a huge repeat clientele from all over the world and they are very respectful of the neighborhoods where our rentals are located. We are on site near our properties and provide full service to our guests. We also have a large number of vendors; house cleaners, businesses who support our company which in turns provides income to their businesses.

All of our rentals obtained their STVR permits and many have just 'renewed' them, we pay all GE and TA taxes monthly, we would hope that we can continue to provide this type of rental option to the many visitors who come to our islands.
Mahalo, Robbie Jose
2 Papayas, LLC

LATE

HB-76

Submitted on: 2/3/2021 2:39:58 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ben Jackson	Puako Beach Condo 409 LLC	Oppose	No

Comments:

Hawaii State Legislature:

I am writing this testimony to oppose HB 76 as it is currently being considered by the legislature. I created a Hawaii LLC, pay GA and TA taxes and employ a local property management company to rent out my condo in Puako. It is also permitted though the State's STVR requirements. Please do not lump permitted legitimate tax paying short term rentals in with non-conforming rentals. Permitted short term rentals in locations like Puako, which is surrounded by many of the Big Island's hotels, is an economic driver for the local economy. I respectfully urge the legislature to drop the bill all together or at least remove the permitted short term properties from HB76.

LATE

HB-76

Submitted on: 2/3/2021 4:21:30 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Josh Ball	hebgen investments llc	Oppose	No

Comments:

I oppose HB76. We invested the the beautiful county of Kauai for a long term investment with our non-conforming home. We employ Hawaiians to care for the property, assist with our renters and provide many other services. If this bill is passed we would have no choice but to sell our home which would have ramifications for a lot of people. We love Kauai and enjoy being there as often as possible. It seems unreasonable to remove a recenue producing activity from a county that has already been hit hard due to COVID-19 closures. Please oppose this bill and allow people like us to continue to operate and employ people on your wonderful island.

thanks you so much,

josh Ball

manager

Hebgen Investments, LLC

LATE

HB-76

Submitted on: 2/3/2021 3:22:05 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Wegner	Koloa Kai LLC	Oppose	No

Comments:

HB76 would be catastrophic to countless small business owners who have built their livelihoods around, and legally manage, conforming short term vacation rentals. These rentals contribute significantly to the prosperity of the community through taxes, jobs and tourism dollars into the economy. Vacation rentals foster responsible, socially-distanced and family friendly travel to the islands. Phasing out legal short term rentals discriminates against small business owners and members of our local population who manage and work for these rentals in favor of conglomerate hotel chains. Passage of such a widely-drafted bill would attract immediate constitutional attack. I am a licensed real estate agent, as well as a Hawaii resident, who legally and responsibly manages vacation rentals, and I strongly oppose this bill.

LATE

HB-76

Submitted on: 2/3/2021 3:49:35 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Healey	Oceanfront Sotheby's International Realty	Oppose	No

Comments:

I am opposed to HB76 because couple years ago, short-term rental licenses outside of VDA were given for a limited period of time to organize, control and stop further licenses. It would be unfair to the owners who have been through the process or who already had the license to loose it. As the State of Hawaii navigates economic recovery and revives its tourist economy, short-term rentals continue to be a safe, important and preferred accommodation for many visitors as well as a crucial source of income for many owners and for the county/state taxes (TAT & GET).

LATE

HB-76

Submitted on: 2/3/2021 9:11:12 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
May Akamine	Individual	Oppose	No

Comments:

I humbly ask that you do NOT support this bill because it limits options for our visitors including families who were previously Hawaii residents, but chose to live elsewhere for various reasons. For example, our sons now live on opposite coasts of the US continent because of more & better career options. They have growing families and it's getting too crowded for them to stay w/ us. So - they would like to stay in a house rather than a hotel room for a week or 2. BUT - they cannot do this unless they rent the house for an entire month which does not benefit them nor the homeowners. Please do NOT support this bill. Mahalo for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 9:39:58 AM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephen Llorens	Individual	Oppose	No

Comments:

I split time living in both Honolulu -Waikiki Banyan condo and the mainland. In addition to paying GE and TAT taxes in the state of HI for those times I rent my condo via STR platforms, I spend approximately \$6,000-\$10,000 per year with small local Hawaiian individuals and businesses such as Kiluea Pest Control, Cool Zone HVAC, City Mills, A1 Budget Plumbing, OCG Building Supply, and others. Their businesses help me maintain my condo while I am away and support my STR guests. The dollars I spend and other STR owners spend helps support these local Hawaiian businesses and the local people who work for these business who in turn support their families many of whom are socio economically middle class and below families. These individuals in turn recycle these dollars back into the local Hawaiian economy spending on food, housing, and other services. My condo offers a true social distance option for a visitors who also spend money directly into the local economy . Your consideration is greatly appreciated...

LATE

HB-76

Submitted on: 2/3/2021 10:04:13 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Byron Ho	Individual	Oppose	No

Comments:

I have been watching local government continue to diminish the rights of tax paying property owners in the state. Much of this is based on thin claims that vacation rentals create problems for neighbors and stress the surrounding community. However, the biggest issue that I see is government infringing on the rights of tax paying citizens in favor of big business, or the hotel industry. It is the hotel industry's lobbying force that is the real root of increased legislation and the goal of eliminating freedom of choice. It is yet another attempt to limit competition in a state that is know for it's lack thereof.

It's time for a change in government perception and action for the people, not against the little guy. Your job as legislators is to represent the people, not big business, unions and paid lobbier. The false claims that have been spread through the media by lobbies to attempt to frame local people trying to make ends meet, particularly in a pandemic ravaged economy is completely backward. You should be promoting vacation rentals instead of continually trying to chip away at peoples rights to a living and regulating their property.

It is also interesting to note that with the Governor's continued extension of the "no rent" for tenants that can't pay, landlords with "local renters" are put behind the eight ball and still have to pay their property taxes! So while government wants to eliminate short term rentals, they want to promote "free housing" for locals at the expense of property owners. Why has no one in the legislature introduced a bill waiving property taxes for owners during the pandemic? Why would any landlord, renting their property, but not getting paid due to government mandate be required to pay property taxes? It's goes the same for bars that have been closed, but required to pay rent and most of all their state liquor licenses.

I'm opposed this this bill and any other bill that restricts free trade, enterprise and business in the state. I think the entire legislature needs to get on the ball with helping taxpayers, small business owners and start representing the people that elected you. We can see through the smoke screen on bills like HB76 for what it is, limiting free choice, competition and supressing average tax paying citizens if favor of the hotel lobby and unions. Shamefull.

LATE

HB-76

Submitted on: 2/3/2021 10:15:25 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Julian Ritchey	Individual	Oppose	No

Comments:

I am submitting a testimony in opposition to HB76.

It is unfair that the government can change the rules of the game mid-game. Those who have complied and have permitting or special status have taken steps to be in this position and it would not be fair for the city or county to not hold up their end of the bargain.

S/T rentals are vitally important to individuals and the county/state now, more than ever. Homes as short term rentals are much better suited to be safe areas as it pertains to traveling now that we have to contend with Covid. It is much easier to social distance in a home than in a hotel. S/T rentals are even more vital now than they have always been for our economy. In addition, families need the extra income generated by S/T rentals even more right now. Please, let's not do anything that will hurt the S/T rental market any more than you already have.

LATE

HB-76

Submitted on: 2/3/2021 10:20:03 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
SharLyn Foo	Individual	Oppose	No

Comments:

Aloha, I strongly oppose this bill. Why does the legislation keep trying to punish the few legal vacation rentals! It will take people's income and not help the economy. Please dont give county's the right to put people like myself out of business. I have been legal for 30 years. Not all travelers want to stay the same way . There is still no enforcement for illegal rentals by the city. They know who the legal ones are so once again targeting the folks who have been doing the right thing. This bill helps no one but the illegal rentals. Respectfully

LATE

HB-76

Submitted on: 2/3/2021 10:32:19 AM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Maurie Feldberg	Individual	Oppose	No

Comments:

The way this is written is WAY to vague and open to interpretation for the entire STR market. This is UNACCEPTABLE. Stop pandering to hotel lobbyists and the cash they throw at you for your re-elections and/or worse.

There are clear zoning laws to limit STR's to certain areas such as Waikiki. Taking, or suggesting to take, all STR's away is a gross travesty and over stepping of justice.

LATE

HB-76

Submitted on: 2/3/2021 10:41:27 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Quisenberry	Individual	Oppose	No

Comments:

Tourism is Hawaii's number one industry that locals should be able to take advantage of with their homes instead of tourism dollars leaving the state. The states and counties should be promoting and enabling locals to conduct short term rentals rather than penalizing and adding barriers for locals.

LATE

HB-76

Submitted on: 2/3/2021 10:54:14 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Peter Yee	Individual	Oppose	No

Comments:

I am a short term rental owner. My financial future and the future of all the Hawaiian locals employed by this sector of business; cleaners, handymans, pest control companies, contractors, etc. etc. local vendors supplying coffee, shampoos, and all the usual amenities to the owners of these units are already out of business and/or will be decimated by this Bill.

The UH economic reported in 2019 after Bill 89 was law stated the monthly taxes and other income lost to the Hawaii economy to be approx. \$35,000,000 a month. Think of what this huge sum of money will do to put much needed City and State programs back into place. Think of the teachers, and other City/State staff who will not be lay-off. Think of the homeless, and other Local businesses dependent on a healthy tourist industry with viable options like STR. The damage has already been done. Please do not add any more rules to kill the business sector that will feed many local families for years to come. STR bring steady good paying jobs in fringe industries.

A last deal breaker, please allow the Waikiki district to do STR and apply a 'tourist' friendly zoning to the ENTIRE Waikiki area that already has the infrastructures in place and was designed for tourist. Do not kill the golden goose that can be the finical savior to the City's current financial short fall.

Respectfully, Peter Yee

LATE

HB-76

Submitted on: 2/3/2021 10:58:19 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Gonzales	Individual	Oppose	No

Comments:

We can all together make this work. Some of those who have permits have made it impossible for those of us that want to do things right no get certifiocates. Other citioes and tourist destanations have proven that affordable vacation rental have been a positive. Please vote no ! Jennifer Gonzales

LATE

HB-76

Submitted on: 2/3/2021 11:12:10 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Emery	Individual	Oppose	No

Comments:

I own a condominium in Waikiki and rent it out mostly to traveling nurses or specialists on short term assignment to the military typically for periods of 2-6 months. My Condo's documents allow rentals not less than 30-days. These rental restrictions are private matters of contract between me and the Condo. The building is permitted and complies with all current laws. On other matters the Hawaii Supreme Court has already opined on other Condo issues that the legislature cannot override private contracts as it is unconstitutional. Regardless, the Bill makes no sense it only will hurt the economic recovery further. Rentals are good for the Hawaii economy.

LATE

HB-76

Submitted on: 2/3/2021 11:13:56 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ken Kribel	Individual	Oppose	No

Comments:

I strongly object to HB76. This will hurt many homeowners who rely of extra income to make ends meet. STR should be monitored not eliminated. One size does not fit all. There are many homeowners who conduct responsible rentals. The ones that don't should be the ones who lose their permits.

LATE

HB-76

Submitted on: 2/3/2021 11:25:42 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Meghaan Blomberg	Individual	Oppose	No

Comments:

Please do not approve HB76. My family and I live in Alaska and have family and freinds who live on Oahu. We make Hawaii our yearly winter family vacation and always rent a short term rental. We stay for four weeks and couldn't afford to stay at a hotel for that length of time. We love being able to rent a short term rental so that we can have a kitchen and laundry. Also so we can have room for our children to play and complete school work while we are there. We love Hawaii and this it is the best family vacation spot but unfortunatly in HB76 passes we will have to choose another state that allows short term rentals for our future family four week vacations. Thank you for your time. Meghaan Blomberg

LATE

HB-76

Submitted on: 2/3/2021 12:08:15 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lynne wood	Individual	Oppose	No

Comments:

NO [HB76](#), a bill that would explicitly allow counties to enact ordinances to **amortize or phase out permitted, nonconforming, or otherwise allowed short-term rentals in any zoning classification.**

LATE

HB-76

Submitted on: 2/3/2021 12:25:24 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Kellerman	Individual	Comments	No

Comments:

In 2020 we moved to Hawai'i and purchased a home as our full time residence. Prior to our permanent residence we purchased and still own a condominium at Waikoloa Beach, Big Island Hawai'i. When we were not on island we rented the property out via STVR. When the new laws for permits for STVR became available we complied and continue to comply. The vacation rental is used by our family members visiting the Big Island. Without the revenue from STVR we could not afford to own such a luxury for family. We continue to have on island management, cleaning services, maintenance and other services that all provide jobs to people on Hawai'i. We pay our GET and TAT on time. These taxes provide revenue to the County and State. The Hali'i Kai community is gated thus services such as security are provided via our association fees. Our property taxes provide for local First Responder services. All this would be lost if the State or County prohibit or severely restrict STVR. Quite frankly in our 8 years of owning the condominium we have never understood why there is such objection by the State and County to STVR. Our guests have always been polite and follow the rules and laws. Our guests are usually families with children. STVR provides a 'home' type atmosphere where children can have more freedom rather than being trapped in cramped hotel atmosphere. Please consider our comments as you proceed with the discussions in regards to HR76. There appears to us to be more down side than up side to this proposal. Mahalo, Thomas and Gail Kellerman

LATE

HB-76

Submitted on: 2/3/2021 12:28:14 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
martin dattola	Individual	Oppose	No

Comments:

I have owned a property in a resort community for almost 5 years. I pay the state of Hawaii the money that I collect taxes from renting my property. Before Covid I had paid the state of Hawaii over \$6000.00 in 1 year of renting my property out for vacation rentals. I think it is important for travelers to have options other than hotels to stay on our beautiful island. I am against any regulations that would prohibit that, Mahalo Martin Dattola

LATE

HB-76

Submitted on: 2/3/2021 12:37:45 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
G Rand	Individual	Oppose	No

Comments:

PLEASE: Stop this punitive movement that's covert intent it to further aid & abet the monopolistic American Hotel Association / Hotel labor union stranglehold on small businesses. They may have oodles of money for "influencing" Officials, our council folks, but you also represent us. No matter how long & thorough the PR optics and indoctrination has gone on, the 'exterminate the opposition' agenda needs boundaries. It's ridiculously out of control, evidenced by this Bill. Please vote "NO" here, and don't let this continue in the future.

Respectful and mutually collaborative regulations, YES, but not renigging on past promises to STR Owners that have relied upon the City's word, have gone through untold hoops and expenses to do all the right compliance things. Don't throw mud in the face of your constituents that have paid their taxes, managed their guests firmly & responsibly, and have complied. The state and counties should uphold their side of this commitment. Kindly consider that your integrity demands this of you. Hawaii relies on tourism, and tourism needs short-term rentals now desperately. Our Hawaii is almost bankrupt and because of oppressive mandates. So many have lost their jobs & unable to provide for their families. We need to refill the much-needed tax coffers. NOW is the time to work to aide our STR industry members, not put the final nails in their coffins.

STRs are the only authentic social distancing lodging option that travelers need, and they provide an essential source of income for us Hawaii citizens. This money stays on our islands, where it is circulated to local businesses and feeds our communities. Now more than ever, they need your help. Don't let the Hotel Industry entice you because of the BILLIONS of annual dollars at stake for them. Yes, the movement behind this Bill is grossly financially resourced to do whatever it takes to ensure their profits. Still, it's at the expense of your voters and families, at our right to earn a living responsibly and reasonably equitably. Stop them forever, please.

LATE

HB-76

Submitted on: 2/3/2021 12:39:51 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Leslie Nakajima	Individual	Oppose	No

Comments:

As an owner of property in the state of Hawaii and understanding that many of my neighbors have legal condominiums that are zoned legal for short term rental that they should be able to continue to do so legally and that should not be arbitrarily taken away from them out of the interests of the hotel lobby or other influences. My property is where I reside, but part of the value of my home is because it is in a legally zoned area and that very much matters to me and my neighbors. We have worked very hard to conform to all rules and regulations and I believe this is the fair way to do things with transparency. Mahalo for your time and consideration.

LATE

HB-76

Submitted on: 2/3/2021 12:45:23 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kenneth Koenigshofer	Individual	Oppose	No

Comments:

- I am a retired teacher. I bought a condo in Kona in 2012 in a condo complex in a resort area, not a regular residential area, in the Keauhou area of Kona. My condo maintenance fees are \$697 per month and my Hawaii property taxes are almost \$3,400 per year. My utilities and insurance bills add additional costs. I enjoy staying in my condo with my family when I am able to come from the mainland to Hawaii, but in order for me to afford to keep my condo I must be able to rent it out as a short-term vacation rental (STVR) while I am not using it just to cover the costs of my maintenance fees and property taxes which combined equal nearly \$12,000 per year. I pay GE and TA taxes to the State of Hawaii twice per year on my rental income. I paid \$500 and filled out enormous amounts of paper work with Hawaii County just one year ago to obtain my STVR license under which I now operate my condo as a short-term vacation rental. If you vote to eliminate my ability to rent out my condo as a STVR I will have to sell it; the cleaning people I hire to clean it will lose their work and probably their businesses if you eliminate licensed STVRs; my on-island contact person will lose his job; the State will no longer receive all of the money I currently pay in GE and TA taxes that I currently pay to the State and County of Hawaii as part of my STVR activity.
- Responsible short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes, like mine, should be protected and allowed to continue responsible operation.
- Short-term rentals are an integral part of the Hawaii tourism economy. As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue. It will be a mistake to eliminate licensed short-term vacation rentals (STVRs) like mine. Please don't do it.

LATE

HB-76

Submitted on: 2/3/2021 12:45:38 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Russell Hirsch	Individual	Oppose	No

Comments:

All local zoning decisions should be made by the counties. This bill explicitly calls out legal, nonconforming use short-term rental properties, which there are very few of. They provide important option for visitors and generate good tax revenue at a time when the state and counties need more revenue. Just because the hotels and their unions are hurting now doesn't mean that they will hurt any less with the elimination of legal short term rentals. The state should not need a bill stating that the counties have a right that already exists. Perhaps this is just an effort to push legal challenges on to the counties, rather than the state? Shame on you. Vote no and get rid of this unnecessary and bad policy bill.

LATE

HB-76

Submitted on: 2/3/2021 12:45:49 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathryn Fitts	Individual	Oppose	No

Comments:

I am opposed to HB76.

My husband and I have been residents of Hawaii Island since 1981, living all those years primarily in Kailua-Kona. In 2013, we decided to make the large family home into a full-time vacation rental, since we want to keep the home in the family and it was both too big, and too costly for us to keep it as our primary residence. Our primary residence, still in Kona, is in a one bedroom condo.

We are now 65, have gone through the very thorough, costly and arduous process of having the home registered as a legal NUC here in Hawaii County. We pay higher County Property Tax (since it isn't our primary residence), GET, TAT, and both State and Fed Income Tax. The government is certainly benefitting from our vacation rental! With the restrictions that COVID has placed on our normal line of work that involves international travel, as well as the fact of our advancing age, we are relying on the income from this rental for our regular monthly income. The prospect of all this being summarily taken away is quite alarming to us, and seems completely unfair!

In addition to our wanting/needing this line of income to continue, we are very much aware that our guests are so very grateful to have a beautiful home to come together to vacation in, and it is regularly used by three generations visiting, or by a group of close friends. It is a MUCH safer environment to protect from COVID, and provides a wonderful alternative to hotel stays, as visiting around a living room, or lanai is so much nicer than 8 people cramming into a hotel room with 2 beds and a TV to have meaningful conversations.

Please do not pass HB76, and do allow Registered Vacation Rentals to continue!

Kathryn V Fitts

Kailua-Kona, HI

LATE

HB-76

Submitted on: 2/3/2021 12:46:07 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kent Johnson	Individual	Oppose	No

Comments:

Good Afternoon,

In consideration of an existing STVR permit holder in a designated resort area I do not believe that the County should be able to eliminate my ability to run or provide a STVR.

I have gone through the lengthy process of obtaining my permit and I am in full compliance with all the regulations and payment of applicable taxes.

- Responsible short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation

Thanks for your consideration,

Kent Johnson

LATE

HB-76

Submitted on: 2/3/2021 12:46:20 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rebecca Schipper	Individual	Oppose	No

Comments:

Aloha,

Please consider that responsible short-term rentals should **not** be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation.

Short-term rentals are an integral part of the Hawaii tourism economy. As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue.

We pay our taxes on time and in full. We have gone to considerable lengths to ensure proper permits and procedures.

Mahalo,

Dr Rebecca Schipper

LATE

HB-76

Submitted on: 2/3/2021 12:50:40 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rebeca Buel	Individual	Support	No

Comments:

Hello,

HB76 is highly restrictive. Honolulu County homeowners deserve the opportunity to partake in the tourism and lodging economy of the State. Local residents should have the opportunity to share aloha and open their homes, how are visitors to the state to know the culture here better and navigate all the changes from the last year?

Please reconsider a better proposal on how to deal with short term rentals in Hawaii.

Sincerely,

Rebeca Buel

LATE

HB-76

Submitted on: 2/3/2021 1:17:55 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cedar Kehoe	Individual	Oppose	No

Comments:

Opposition to HB76

For the House Committee via Capitol.Hawaii.gov

1. is not fair. The City does this last minute and without telling anybody so that nobody has time to respond to these Bills. You hide them and then we all suffer as this is yet another hidden bill nobody talked about. is not necessary.

Oahu does not need any more restriction on the few short term vacation rentals that are here. People like the option of a home to rent and the number of these is exceedingly small. They serve a valuable place in the list of options to tourists. They harm nobody as they can be regulated.

Cedar Kehoe

LATE

HB-76

Submitted on: 2/3/2021 1:19:37 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Susan A Bryson	Individual	Oppose	No

Comments:

WE STRONGLY OPPOSE HB76. We have been in the short term rental business since the very beginning and have complied with all of the rules in order to keep our NUC permit active. My husband and I are in our 70s now and this is all that we have been doing for the past 33 years and will be our retirement income. We have worked hard for what we have.

Our property is gated and poses no threat to the surrounding neighbors. In fact, they use our property frequently for their family and guests.

I am guessing that the Hotels feel threatened by our small business, but please remember that the income from almost all of the Hotels leaves our State and Country. Our small Bed and Breakfast business adds much needed revenue to our County and State.

During this time of uncertainty and the speculated number of jobs that will be lost, please consider the "Mom and Pop" businesses struggling to make ends meet and **PLEASE OPPOSE HB76.**

With Respect,

Susan and Steve Bryson

LATE

HB-76

Submitted on: 2/3/2021 1:48:07 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Stevenson	Individual	Oppose	No

Comments:

My wife and I have owned a vacation rental on the island of Kauai since 2015. We advertise our condo on VRBO as for rent. WE have a minmum of 3 nights stay but most of our guest stay about 7-14 days but some stay as many as 60 days. Most are either a couple or a faily on vacation. We have an on island property manager who visits the property immediately after a guest leaves to access any damages (rare) and to schedule the cleaning service. Over the past 6 years we have had no complaints of any of our guests. We visit our condo at least twice a year for a minimum of 10 days. We feel that our guests and ourselves are a intergalpart of the island's economy and, since we are on vacation, spend more on food and activiteis than we do at home. A lot of our guests stay every year because they love and appreciate the beauty and peacefulness of Kauai. We are well aware of the recent increase in somewhat unregulated rentals being offered for as few as one night and with little control over the tenants from owners who live thousands of miles away and no on island management. That is not us. We coud live a larger minimum stay if that is reulated by the island and that it applies to all owners.

Mahalo for listening to our concerns.

LATE

HB-76

Submitted on: 2/3/2021 1:56:21 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cindy Wild	Individual	Oppose	No

Comments:

I am opposed to changing rules already enacted by the County of Hawaii regarding STVR's. We have all gone through an arduous process of getting licensed and being legal. The bar can't keep changing. Regulate illegal STVR's but let the current legal STRVR's continue to do business. They support and pay taxes, wages, support our economy here.

LATE

HB-76

Submitted on: 2/3/2021 2:01:02 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ron James	Individual	Oppose	No

Comments:

Aloha, I strongly oppose this bill. This bill is an egregious power grab that has an enormous negative financial effect on good people who pay their taxes and are responsible citizens. I personally have weathered the financial storm last year only by selling one property to cover the costs of the other. I currently have a non-conforming permit in Hawai'i County. The income I receive allows me barely get by. It allows me the time to see my children. Float the high cost of living in the state. Our home also gives families other affordable options to come and visit our great island and spend money in our local businesses. The experience that these families have by staying at our home is one that they would never have been able to afford to come otherwise due to the cost of multiple hotel rooms, eating out every meal, being able to enjoy feature comforts of home.

I beg and plead with the House to not move forward with this bill as the detriment to our islands is great.

LATE

HB-76

Submitted on: 2/3/2021 2:08:55 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marci Cortisse	Individual	Oppose	No

Comments:

HB76 is open ended and vague and therefore subject to abuse. It puts enormous power in the hands of a select few thereby silencing the voices of individuals and business owners. Furthermore, it allows retroactive powers against homeowners that purchased properties with legal use expectations and business owners conducting legal business in the state of Hawaii.

LATE

HB-76

Submitted on: 2/3/2021 2:09:34 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Kemmer	Individual	Oppose	No

Comments:

I very strongly oppose this legislation and am very concerned how if it is passed the negative impact to our already economy will be repositioned for the wealthy hotels. Please do not pass!

LATE

Aloha,

To whom it may concern,

We bought our dream home in Kona so my wife and I could spend as much time there as possible and possibly retire there.

We were very careful and bought a home zoned hotel, before we even had to get a STVR permit, so that we play by the rules and would never be at risk of losing our home. A home that we can only afford now by renting it out on VRBO and Airbnb. The American dream.

We have great neighbors who live on both sides of us in Kona and we have asked them to call if they have any issues with our renters. In the three years we have owned it there have not been any complaints.

Our home is on the ocean and it stays very busy year round. I have worked hard to maintain a five star rating and a super host rating.

We hire housekeepers landscapers, spa, maintenance workers and spend lots of money in the local economy.

Our renters spend 100's of thousands of dollars on the Big Island.

Why would anyone want to shut us down?

Hawaii needs to realize that our type of home business is part of the future of Hawaii.

My guests won't come if they are forced into a hotel.

They don't want to stay in a condo either.

They are concerned about privacy and covid.

The government nearly destroyed us with their rules that no one could stay in a vacation rental during lock down. It made no sense to force people to stay in hotels to quarantine, when that would expose them to others and there are no cooking facilities so they have to have delivery and more people have to interact spreading virus more . Our home has outside cameras and electronic locks. I can tell if a guest is home or not.

Is this because the hotels have lobbyist's and we have no voice?

We are not a negative. Small businesses like ours are helping to keep tourism alive on the Big Island. I am completely booked up for next 6 months and have been since Hawaii reopened to tourism.

Please do not commit tourism suicide by giving more power to bureaucrats' who already abuse their power.

There may be a few bad outfits who don't manage their properties well or pay their taxes but you shouldn't allow anyone the power to destroy all that we have worked so many years to build up. Make no mistake there are politicians who have openly stated they want to return Hawaii to pre tourism days.

There is too much corruption and unwarranted and foolhardy prejudice against vacation rentals already. This will finish us off. There are sufficient rules and protections in place now. Please don't destroy Hawaii's future.

Warmest Regards and Mahalo,

Dave Anderson

LATE

HB-76

Submitted on: 2/3/2021 2:27:49 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
richawilson415	Individual	Oppose	No

Comments:

Hello,

I own a short-term vacation rental in Puako, on the Big Island. It's a wonderful thing as I spent my formative years in the islands and now I am invested in the islands again. I am able to both get back and contribute to my community, and also stay close to my elderly parents who are in California. I am not rich, and thus am utterly dependent on my ability to keep my place as a short term vacation rental. I will struggle and may not be able to keep this property if I cannot do short-term rentals, so I am concerned about the impact of HB76.

I therefore kindly request consideration of my opposition to HB76. I pay my taxes and will continue to operate responsibly and by the rules. I should not be lumped in with non-conforming rentals. I look forward to contributing to Hawaii's economic recovery as we get past this awful covid pandemic.

Thank you for considering my submission.

Richard Wilson

LATE

HB-76

Submitted on: 2/3/2021 2:35:29 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
ana murray	Individual	Oppose	No

Comments:

Aloha, this is not something that should be put into place. There are many people, local and visitors, who require housing for less than 180 days, but for longer than 30 days. We recently had an Aunty stay with us because her house had been burned down by arson and she needed a place for 3 months while her house was being rebuilt. We also get people coming for work for 3-6 months at a time. Sometimes they are visiting professors at UH and they want to stay in a home as opposed to a hotel for their time here. I implore you to vote no on this issue.

LATE

HB-76

Submitted on: 2/3/2021 2:51:14 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Karen Hill	Individual	Oppose	No

Comments:

I have been a long time resident of Hawaii and in the vacation rental industry for several years now. My livelihood depends on the income my rental generates. This past year has been particularly difficult due to the pandemic.

I outline the following points in support of my objection to the proposed legislation:

- Responsible short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation.
- Short-term rentals are an important part of the Hawaii tourism economy; especially on the Big Island. They allow luxury options as alternatives to overpriced resorts and are in better locales than the isolated resorts of the Kohala coast.
- The hotels in Kailua-Kona are very old and of low quality. This certainly does not attract the high end vacation rental market as an alternate proposition.
- As we look toward tourism recovery, short-term rentals will play an important role in safely welcoming traveling families back to Hawaii while providing vital tax revenue.
- It seems common sense to be advocating for travel options that allow maximum social distancing protocols to be observed such as vacation rentals.
- The contribution vacation rentals have to the economy in engaging the workforce should not be overlooked.
- We alone use over 30 local businesses in an ongoing capacity during the annual operation of our vacation rental property here in Kona.

The reliance on pleasing big business; like large chain hotels and resorts seems to be taking priority over public health and the economic sustainability of the community.

In closing we ask you to reconsider allowing each county to enact ordinances to phase out permitted, non-conforming or otherwise allowed short term rentals in any zoning classification.

Short term vacation rentals should be supported and encouraged in their vital role in the Hawaiian tourism industry.

Karen Hill.

LATE

HB-76

Submitted on: 2/3/2021 2:53:00 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
sydney smith	Individual	Oppose	No

Comments:

HB76

Relating to Counties

My name is Sydney Smith. My husband Maurice, and I own Maliko Estate Coffee on the island of Maui. Our farm is approximately 20 acres and is made up of 2 TMKs. This land was an unofficial garbage dump until we purchased it in 1985. It took us 5 years to clean it up and restore the Maliko Stream and springs to the beautiful resource it is today. In 2012 I applied for a vacation rental permit on the 7.5 acre adjoining parcel that we own. This parcel has a cottage that was built in 1928 and another that we built in the early nineties. We restored the 1928 house with loving care and hired craftsman to replicate the joinery that had been used in its original construction. A renter subsequently destroyed that house and we embarked on a two year eviction process we swore we'd never go through again. So we restored it again at an incredible cost that exceeded the sum total we had ever received in rent. So that house sat empty except for friends and family for 10 years. I now have guests who come year after year. Many because they love coffee, and many because they love nature and solitude. Something we have a lot of here in Maliko. They shop in Makawao and Haiku from locally owned businesses and eat in locally owned restaurants. They support our community.

If I'm forced to shut down my vacation rental, my houses will never be in the rental pool. They will stay empty as they did before. But there won't be a steady stream of customers for my local business owning friends and neighbors who depend on my guests and the guests of other nearby vacation rentals.

With the revenue hit Hawaii took and is still taking as a result of COVID-19, I can't for the life of me understand what your logic is in shutting down these businesses. If you want more affordable housing expedite the permitting process. Invest in more water resources. Offer tax credits. Provide more protections to landlords. 2 years is too long to have to go through an eviction process. I can think of five houses I know of right off the top of my head that aren't in the rental pool for this reason alone.

I've lived here all my life except when I was in school. I've always done things within the law. I got my vacation rental license, and it was hard. My application, when I turned it in was 496 pages long! But at the end of the process when I made my presentation to the

Maui Planning Commission, I got a standing ovation from them. They clearly appreciated what I was doing and wanted me to know I had their full support. But every year it seems like a legislator tries to change the game. Do you wonder why there's a brewing revolt in the nation? I have no sympathy for those who tried to bring our nation down, but I get their anger and frustration.

Sydney and Maurice Smith

Maliko Estate Coffee

Maliko Retreat

Makawao, Maui

808-268-3646

malikoestate@hawaii.rr.com

LATE

HB-76

Submitted on: 2/3/2021 2:57:54 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Connor Jetton	Individual	Oppose	No

Comments:

Aloha,

I'm writing to express my concern about HB76. As a seasoned millennial traveler (23+ countries visited at 29 years old), I can confidently say that I represent the opinion of many of my peers in the statements below.

Even before COVID-19, the trends of the travel industry were changing drastically. Myself and other millennials alike crave more authentic and immersive experiences than that which is offered through traditional hotels and motels. In order to best understand, respect, and advocate for the culture and customs of places traveled to, I now exclusively seek out short term vacation rentals as a prerequisite to destinations that I am considering traveling to. This was true for Hawaii when I first visited in 2013. If there had been strictly hotels without STRs available, I likely would have taken my tourism dollars elsewhere. My trip in 2013 eventually led to my move to the islands in 2018, where I now work in both tourism and environmental conservation and my wife is an elementary special education teacher. We are both active with non-profits across the island of Kauai.

My story is just one of many, but had I not been able to stay in a STR upon visiting the islands, I would not live here and contribute to the local economy today. Not all visitors choose to move and contribute to the local community in a positive way like we have, but the fact remains true that millennial and Gen Z tourists do and will increasingly opt to stay in short term vacation rentals over hotels. Opting to phase out STRs in favor of hotel corporate interests would have serious negative implications on the global competitiveness of Hawaii as a tourism destination.

Just as COVID travel restrictions are a balancing act between economic well being and health, STR regulation is a balancing act between providing affordable housing for Kama'aina and sustaining our tourism-centric economy. I believe that current VDA zoning regulations are stringent enough to keep the cost of housing affordable for locals and that any further tightening of regulations on STRs (especially phasing them out completely) would be seriously detrimental to the future of economic prosperity for Kama'aina.

Mahalo for taking the time to read and consider my opinion. I appreciate the hard work that you do and hope to see regulated short term rentals continue in Hawaii.

Sincerely,

Connor

LATE

HB-76

Submitted on: 2/3/2021 3:05:10 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Petritz	Individual	Oppose	No

Comments:

This is a county matter and not a state matter.

Owners should be allowed to bnbs. I am voting resident of Hawaii but renting out our house when we are gone allows us to take off for a month or two in the summer and travel with our family.

LATE

HB-76

Submitted on: 2/3/2021 3:17:00 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Baker	Individual	Oppose	No

Comments:

There are many travelers who prefer to stay in a community and not in a hotel. Please do not do anything to limit visitors during this most difficult of economic times.

Mark Baker

LATE

HB-76

Submitted on: 2/3/2021 3:25:47 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lesley Hammer	Individual	Oppose	No

Comments:

To whom it may concern, regarding HB 76,

I am opposed to a phase out of any kind of conforming, tax paying, economy supporting short term vacation rentals. I am very concerned this bill is aimed to squash the average, law abiding, Hawaii appreciating property owner in favor of the huge resorts.

I own a condominium that is zoned as vacation rental property in Puako. I have successfully achieved STVR permits, pay all of my taxes, employ a responsible property manager, help support the onsite condominium manager, cleaning crews and other SMALL LOCAL BUSINESSES such as pest control, gardeners, remodel contractors and appliance repair to name a few.

Although my primary residence is in Alaska, my family has been visiting the Big Island since the 1940's. We believe and do support local, small businesses, as well as frequent resorts when we visit our Hawaii home. We rent it out part of the time as a STVR to maintain the property between our visits. As Alaskans we know that Hawaii has huge visitor traffic arriving from Alaska, and most people we know much prefer the STVR experience over the big resorts. I believe that if only resort rentals were available, many would opt for a more 'home-like' experience in other states or countries rather than be limited to only a resort experience.

Our family owns three small businesses, and we understand well the importance of supporting SMALL BUSINESSES THAT PROVIDE LIVING WAGES TO THEIR EMPLOYEES, in contrast with huge corporate operations that pay many employees minimum wages.

If Hawaii is to sustain an economy that supports the health of small business, and thus an economy in which locals are able to achieve success, they must support STVR's as they are integral to supporting both small business off resorts, as well as amenities such as restaurants on resorts.

Don't squash out all the little guys! Let law abiding, tax paying STVR's continue to operate! Hawaii just wouldn't be the same to visit or live in without them.

Respectfully submitted,

Lesley Hammer

LATE

HB-76

Submitted on: 2/3/2021 3:28:32 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Wendy Chen	Individual	Oppose	No

Comments:

I strongly oppose HB76. Short term rentals provide an important alternative accommodations for many visitors, especially as Hawaii tries to recover from covid19 crisis. It is also an important source of income for the local hosts who have paid a premium price to purchase the legal short term rentals. HB76 is unconstitutional as it is to target property owners by depriving them of their property rights that come with ownership of a legal vacation rental.

LATE

HB-76

Submitted on: 2/3/2021 3:31:51 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Beverly Herrington	Individual	Oppose	No

Comments:

We purchased condos in 2009 in Maui as a mean of income as we are currently in our 70's. We recently sold our California small business to purchase two more condos in Maui to supplement our retirement income. We manage our condos using Vrbo and Airbnb software. Being owner/property managers for our condos is a very time consuming but rewarding job for both my husband and me. Not being able to rent our condos would be devastating to our income. Please do not pass HB76 as it would hurt so many financially invested people--not necessarily only companies.

LATE

HB-76

Submitted on: 2/3/2021 3:33:16 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Ramsay Black	Individual	Oppose	No

Comments:

To Whom It May Concern,

I am writing to express my opposition to House Bill 76. Be advised that I only found out about the Bill today. It comes as a complete surprise to me, particularly because we have already gone through the process of securing a legal short-term rental agreement/permit with the County of Hawaii. It was a thorough process, one that we took seriously and with respect.

By way of history, our family has owned one of the original properties in Puako on the Big Island for over 70 years. My parents lived in the house for many years until my father passed away in 1989. My mother found it necessary to move to Honolulu to be near family, but we decided to rent the property as a short term vacation rental to help support her. Last November she turned 96 and needed to reside in a memory care facility, which was very expensive. The income gained from the vacation rental all went to support her.

In 2019, we were told that we would have to apply for a short term rental permit by the County of Hawaii. We pursued the process at great time and expense and was granted the permit under the rules established by the County. It was done legally and pursuant to all the rules and regulations dictated to us. To not have the income generated by our vacation rental would be a real hardship for our family, especially for my mother.

Short term rental are an integral part of the Hawaii tourism economy. As we look forward to tourism recovery, short term rentals will play a large role in providing visitors with safe and appealing accomodations as well as providing vital tax revenue. In addition, it should be pointed out that rentals like ours provide many local workers with employment opportunities. For us, we help support property management staff, housekeepers/laundry, yard work, tree service, carpenters, painters, all of whom support their families and pay taxes.

In summary, I would ask that you evaluate all the benefits that short term rentals provide to the community and see that opposition to House Bill 76 is the proper action to take.

Mahalo for your consideration,

David R. Black

LATE

Regarding HB 76

I am a homeowner of a condo unit at Wailea Elua Village. We are very opposed to this measure as it would hurt both owners and renters. It is clear to us that the hotel association is behind it, and it only benefits them.

Vacation rentals provide an important option to many families who would be unable to visit Hawaii with their children were they not available. Many units have several bedrooms, nearly all have kitchens and outdoor areas. Being able to cook and afford lodging for a family is not possible for many who would be required to rent hotel rooms.

At Wailea Elua Village renters adhere to strict rules. During the years we have owned there, we have NEVER heard anyone complain about renters. In fact many renters have later become owners.

Please vote no on this measure.

Andrea Correnti

LATE

HB-76

Submitted on: 2/3/2021 3:36:12 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
RICK HENRY CABADOS	Celestial Sanctum	Oppose	No

Comments:

Aloha

- I did research & saw that when rooms were short in Hawaii, then the predatory business practices of the hotels would kick in & they would gouge visitors with high room rates.
- Research also indicated that AirBnB and other vacation rental platforms coming to Hawaii helped the Hawaiian economy by allowing more visitors to come here.
- More visitors meant more jobs & more income for Hawaii in the form of more taxes and more business.

A WIN FOR EVERYONE but the predatory hotel industry. They only care what extra profits they can squeeze from people and they don't care that this hurts all of us in Hawaii.

1. My Wife and I quit our jobs & came to Hawaii to run a vacation rental business.
2. We bought a large home for \$710,000 & put another \$50,000 into upgrading it.
3. The rentals allowed us to pay our expenses and enjoy Hawaii
4. We were closed down in March of 2020 and we were looking forward to seeing visitors come back to Hawaii.

Now it appears that the hotel industry has such pull through their friend\$ in the State Legislature, that they have "convinced" them, through whatever means, to introduce HB76.

Please think of all the:

- Lost jobs
- Economic hardship for workers & businesses
- Lost Accommodation Taxes
- Lost income from Hawaii's businesses that have to close

- and all the people who don't get to experience the beauty we have here!

Vote NO on HB76

LATE

HB-76

Submitted on: 2/3/2021 3:45:51 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Gloria Simmons	MVRA	Oppose	No

Comments:

I am now an owner of a condo in a resort area of Kihei. I have spent all my vacations in Maui since 1999 and became a proud owner in 2014. In order for me to maintain my family in two states I rent one while living in the other and switch when I can. As a retired special educator I had little money other than to cover my living expenses. The income I obtain from the short term rentals allow me to cover all my expenses as a condo owner, including the hefty property taxes, g.e. taxes and t.a. taxes. My heart is with Maui and I want it to succeed as a county in a state of the United States. I am a superhost. All my guests love the way I keep the condo running, employing many quality people to clean, repair, remodel, provide fresh kitchen items and local wines. Renting it short term also keeps the HOA on their toes to keep the property in top shape which also increases value. We rent only to verified individuals who are not partiers but are families who could not afford to bring their family to Maui in a hotel or resort. We provide a taste of what it is like to live , shop, and enjoy the aloha and ohana spirit. If I can no longer rent this as a short term rental, we all lose income and quality of life. This past year, not earning that typical rent due to Covid19, I am now using my retirement to cover property taxes and the high HOA fees that keep going up and up. I have the mortgage covered. Please consider what you would do to the growth of Maui should you vote to eliminate short term rentals in the State of Hawaii. There are many other ordinances that can be put into place to reduce the troubles that some have had with disrespect of property and the land. Most of our guests have that respect and love and want to return. Lets keep that up!

Respectfully,

Gloria Simmons

Owner, Nani Kai Hale

Kihei, Maui, HI

LATE

HB-76

Submitted on: 2/3/2021 4:04:58 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Heather Loughridge-Buono	Individual	Oppose	No

Comments:

“The Visitor Industry is Maui’s leading economic sector. Unquestionably, Maui County’s success in this arena is due to an excellent multi-faceted product, supportive and devoted partners, and a willingness to commit resources vital to keeping Maui’s number one industry robust and healthy. The mission of the [Maui Visitors Bureau](#) (which includes the Lanai Visitors Bureau and the Molokai Visitors Association) is to market the Islands of Maui Nui – Maui, Molokai and Lanai – as viable and attractive travel destinations to visitors from the mainland and beyond.”

-Quoted from The Maui County website, Office of Economic Development

The key wording to lift from this is “Unquestionably, Maui County’s success in this arena is due to an excellent multi-faceted product...”).

One STR helps support many local small businesses. Cleaning, maintenance, landscaping, and management services are all reliant on this industry.

Guests who stay in vacation rentals as opposed to resorts, are unique. They are interested in becoming for a short time, a part of the communities they stay in. They are motivated by an interest in the local culture and neighborhoods, and they seek out local business to spend their vacation dollars. Conversely, large resorts actively discourage guests from leaving their properties, and are set up to keep guests there. Ensuring that most of the visitors’ vacation dollars are spent at that property. Truly both are important to the visitor industry, but without local accommodations, guests are left with a very limited viewpoint of the Hawaiian culture. STR provide an opportunity to give visitors to Maui a broader view of the unique culture of Hawaii, and Maui.

Hawaii has had the greatest per capita impact on unemployment from the Pandemic. We are #1. We currently have an unemployment rate of close to 11%. This only reflects residents who have filed for unemployment, the real # is probably much higher.

At the beginning of March 2020 we had the lowest in the nation.

There are also greater affects to having gone from having 66K visitors daily coming to the state, to a mere handful now. This has been a necessity, but it has also served to

illustrate how dependent we have become on the hospitality industry. Diversification is needed, but certainly not at the expense of people being able to feed their families, and keep a roof over their heads.

Phasing out STR will not significantly increase the rental pool of affordable homes on Maui. With the increase in property taxes and the costs of maintenance most of these homes are significantly beyond the range of affordable for Maui families. They will be sold as second homes to people who will visit occasionally, and the economic impact to the local businesses that currently make their living from the care of these homes will have a great impact to their abilities to thrive and be a positive contribution to the Maui economy.

I submit that further damage to an already greatly stressed economy is not necessary.

I submit that giving the money visitors bring to Maui to the resort industry, so that those dollars can be funneled off island, and in many case out of the country, is short sighted indeed.

I submit that the loss of tax revenue from transient accommodations and general excise of 14.416% of every night sold will further damage the already aching and overly burdened economy on Maui.

LATE

HB-76

Submitted on: 2/3/2021 4:24:06 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jon Whittington	Individual	Oppose	No

Comments:

To Whom It May Concern,

I opposed HB76. Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens. This money stays on our islands where it is circulated to local businesses within our communities.

Further, short-term rentals that have earned permits, NUCs, or otherwise legal status have done their due diligence to operate responsibly and within the law. And GET and TAT is collected and paid to the Treasurer.

Lastly, this is "local" issue that should be governed by the Counties, or better yet, the communities within each county.

LATE

HB-76

Submitted on: 2/3/2021 4:40:16 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Garwin Kamakani Souza	Individual	Oppose	No

Comments:

Aloha Hawaii House Committee Legislators,

Thank you for hearing our testimony.

We are a local family that own a property in the Kuilima Estates Condominiums. We have a current non-conforming use permit (NUC). We pay all of our State and City taxes and are contributors to Hawaii's economy.

Since 1986, we owners have paid an annual fee to keep our NUC current so that we can operate a legal short- term rental business.

Up until February of 2020, a current non-conforming use permit was required in order to legally operate short-term rentals at Kuilima Estates. There are only 34 condo units in Kuilima Estates that have a valid NUC. On February 10, 2020, a new ruling was made by the DPP Acting Director that all Kuilima Estates Condominiums can now legally operate as short-term rentals, according to provisions in Ordinance 19-18.

We oppose HB 76.

We need to retain our non-conforming use permit in order to protect us from another government official wanting to reverse that ruling.

Having a current NUC is the only way for us to protect our family and our business.

Mahalo Nui, Malama Pono,
G. Kamakani and Stephanie Souza

LATE

HB-76

Submitted on: 2/3/2021 4:41:02 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Violet Carlsberg	Individual	Oppose	No

Comments:

This bill would be devastating to all Hawaii counties, for several reasons:

1) The State receives close to a 15% tax (income) on revenue from all STVR rentals. By removing this STVR inventory entirely... it would be even further devastating to the Hawaii economy. We need to focus on recovery, and STVRs are rebounding more quickly than hotels! If you are not aware of this data, I urge you to look into this more. STVRs are considered to be safer places to stay in by consumers and are the preferred type of accommodation coming out of the pandemic.

2) If the concern is health and safety; there are many professional management companies that responsibly operate short term vacation rentals. If that is the issue; there should be guidelines implemented to operate a STVR safely; not ban it entirely.

3) Many Hawaii-resident Owners rely on vacation rental income to sustain their investment; further stimulating the Hawaii economy. It is also one of the many ways Hawaii residents can hold on to a piece of the land we all love; by renting it out to pay and off-set the exorbitant costs it takes to live here!

I full oppose this bill in its entirety and urge you to reconsider moving this forward any further. It is detrimental not only to our Hawaii economy, but the local residents who live here. This will only make it even harder for Hawaii residents to own land here.

LATE

HB-76

Submitted on: 2/3/2021 4:47:03 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
William P Lamkin	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Bill Lamkin

LATE

HB-76

Submitted on: 2/3/2021 4:56:18 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
JANICE T TOWER	Individual	Oppose	No

Comments:

Aloha House Committe on Housing,

I am writing to oppose HB 76, an act that would allow counties to phase out legal, permitted vacation rentals in any zoning classification. I have operated a permitted vacation rental for 14 years, providing visitors to Maui a quiet and unique accommodation on the slopes of Haleakala. While I welcome visitors I also use my ohana for family purposes. Taking away my short term rental would not add rooms to long-term housing; I would not make it available for rent on that basis. I do, however, provide long-term housing in my other dwelling. The couple that lives there act as on-property managers and hosts to our guests.

Short term rentals are a huge economic engine for Maui's prosperity. Especially in times of Covid, Maui needs income passed through from sales and accommodations taxes, and the commercial residential property taxes that I pay for providing short term accommodations. I am sure you are aware of the revenue base that we provide our county.

If Maui is going to weather the pandemic and welcome visitors back to the island, short term rentals must be allowed to operate.

Thank you for your consideration.

Mahalo,

Janice Tower

LATE

HB-76

Submitted on: 2/3/2021 4:57:20 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Angela Leone	Individual	Oppose	No

Comments:

My husband and I are small business owners and we also operate our home as a B&B. Especially during COVID, our B&B income has allowed us to continue to pay our bills, keep our home and support our employees while not being able take any income from our business. This has been our only source of income during this time, as I know is true of many other STR permitholders. For those of us that have gone through the legal process of applying for, paying for, abiding by the rules and operating legal short term rental properties, we vehemently oppose this bill that would strip us from that right to rent our home legally.

Hawaii, especially West Maui, relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens. This money stays on our islands where it is circulated to local businesses within our communities. We have abided by all of the cleanliness regulations set forth by VRMA and VRHP, the Vacation Rental association groups in order to provide safe and clean accommodations for our guests throughout COVID. We employ maintenance vendors, cleaning vendors, landscapers, plumbers, etc which would lose their contracts if these STR permits are removed. Please reconsider this bill and allow the LEGALLY permitted STRs to continue to operate as professional businesses. Thank you for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 5:00:03 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dean Stanberry	Individual	Oppose	No

Comments:

As a vacation property owner and timeshare property owner on the island of Maui who complies with all existing state tax and vacation rental requirements, I am opposed to this bill imposing additional, onerous constraints on an already over-taxed and over-regulated business sector. This is nothing more than a blatant money-grab piece of legislation.

Given the excessive taxes already levied on the tourist and vacation business, I would like to see a transparent accounting of how those taxes are utilized for the public good. We love Hawaii and visit every chance we get, but it is obvious our considerable tax contributions are not being invested in infrastructure, public education, or social programs. So, the question remains as to whose pocket these tax revenues are going?

The state and municipalities already have sufficient remedies to identify and penalize those who are not compliant with existing property rental regulations and tax obligations. This is unnecessary legislation. Please focus your attention on efforts directly benefiting Hawaiian natives and residents.

LATE

HB-76

Submitted on: 2/3/2021 5:03:38 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Kisiel	Hawaii Real Estate Executives Inc	Oppose	No

Comments:

As a small business owner/operator of a property management company, I believe that this measure would be extremely harmful to the economic well being of the County of Maui.

The 25 legal short term rental condominiums we manage generated over \$200,000 in annual cleaning, maintenance, and remodeling income, and our management fees helped support 2 administrative staff as well as my family. This is all money that was spent locally and helped keep locals and local businesses. These short term rentals also generated over \$150,000 in tax revenue for the County and State.

While I can't speak to the income from properties not managed by us, our units average \$8000 in employment for locals and \$6000 in tax revenues for the County and State. Multiplied by the 10,000+ short term rentals, short term rentals generate over \$140 million dollars in wages and tax revenues. None of this includes the per average spending on local businesses, tour operators, and all the ancilliary businesses that support those businesses.

Hawaii does not have the ability to support a manufacturing industry and large service businesses won't setup here because Hawaii doesn't have the skilled labor pool that locations on the mainland can provide. Allowing short term rentals to be shut down is tantamount to telling your constituents that we don't need jobs in Hawaii and they should plan on leaving the islands if they want to work. The trickle down economic impact from this measure is much more significant than the advocates for shutting down short term rentals have ever acknowledged.

Please vote against this measure.

LATE

HB-76

Submitted on: 2/3/2021 5:14:32 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
James (Kimo) Walz	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Mahalo for allowing us to provide input on HB 76.

We have recently become aware of HB76 regarding short-term rentals. My wife and I have two short-term rental that are listed as approved on the Minatoya list for short-term renting. We also have GET and TA tax number accounts that are paid up and current. We are, therefore, opposed to HB76 .

We purchased our two condos because they were approved as short-term rentals. If a decision is made to reverse this approval, we are prepared to use litigation as our means to respond to a decision of this sort. Naturally, we would hope it does not come to this, however, we felt the need to let you know of our stance and our willingness to fight this, if need be. Here are the reasons we would not support HB76:

- When we purchased both of our properties, we were required to get investment loans at higher rates in order to get the needed financing.
- We would not have considered these investments if they had not previously been approved as short term rentals.
- We put 30% down, therefore, we have a significant investment in our properties.
- We are current with our GET/TA taxes and pay these taxes on time.
- Our guests provide additional revenues to Maui and also to the tax base.
- We take pride offering superior services to our guests and use every means to represent our beautiful island of Maui.

We hope you understand our position and will not support HB76.

Very Respectfully,

Jim (Kimo) & Laurie Walz

808.707.9411

LATE

HB-76

Submitted on: 2/3/2021 5:16:01 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Marchello	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose this bill.

I do not think that this bill is necessary or useful at this time.

Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our State Revenues and local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state. Four percent excise on all these monies recirculating through our economy is a huge source of our State income?

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

Thank you for your consideration.

Mark Marchello

LATE

HB-76

Submitted on: 2/3/2021 5:28:19 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Croly	Individual	Oppose	No

Comments:

The intent of HB76 is misguided. This measure seeks to allow Counties to create ordinances that in essence create a takings of permitted uses. While some see short term rental uses as the root of all evil, informed people know that short term rental uses are the primary generator of property tax, Occupancy tax and visitor spending on Maui island. Hotels generate less than a thrid of the property taxes and house far fewer island guests than do Short term rentals. Owners making legal short term rental uses should not need to be alert for uninformed legislators creating new ordinances to take away their legally permitted uses. Such amortization of these uses would certainly be met with lawsuits for unconstitutional takings and that would only cost the State and Counties millions in legal fees and court judgements.

Illegal short term rental uses should be monitored and stopped, but amortization of legal uses would only have the net effect of more illegal uses replacing the legal uses that are paying GET, TAT and much higher proerty taxes. This measure sjould not move forward.

LATE

HB-76

Submitted on: 2/3/2021 5:28:25 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Cheriess Maree	Individual	Oppose	No

Comments:

I am strongly opposed to the proposed bill HB76 planning to "phase out" short term rentals. As a single mother loosing two of her business's and sources of income due to Covid, with no hope of rebuilding, the only thing I have been able to rely on has been hospitality and that is renting out rooms in my home on airbnb. I was raised in a hotel and hospitality is a major part of my life. I am still playing catch up on payments and bills, hoping to recover from covid soon, but only with the future of knowing my airbnb will help my future build as pre testing, vaccines and the tourists coming back to our islands. This bill will kill all hope of a future for my self and my ability to support my family as short term rental is all I have to look forward to.

I can tell you that every single guest I have interacted with has been grateful for the more personal warm Hawaii home experience. If they wanted the sterile impersonal corporate experience of staying at a hotel they would have done so, but my guests choose us as a way to get a more local and authentic experience of Hawaii! I still recommend tours, site and museums as that is part of supprting our local economy and that's exactly what we exexpect from our legislation, to support the local economy. This bill will kill it and send many of us back on welfare or even on the streets homeless.. Short term rentals help those who own a home to offset thier monthly bills by allowing hospitality to tourists. Our legislation should be looking out for our local families operating thier homes as part of economy striving to hold our island families together. This bill Only supports big business, corporatations that have done NOTHING to help our local hawaiian families in these times of need. I can personally attest to housing doctors and traveling nurses who were brought in under the emergency order to help with our covid crisis. At that point the hotels were all shut down.. It was My home opening up and offering refuge and accommodation to assist in the welfare of our state! If not for short term rentals, our welfare rate, crime and general economy would be devistated in an already economicly challenged time.

Thank you for reading, Cheriess Maree

Airbnb owner

LATE

HB-76

Submitted on: 2/3/2021 5:33:54 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carol Carolan	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to present testimony on HB 76. I oppose this bill.

I do not think this bill is necessary or useful at this time. Vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

My husband and I and our adult son and his family use our property throughout the year so it would not be available for long term rentals or housing.

As a permitted short term rental owner on Maui, my husband and I have done our due diligence to operate responsibly and within the law. We've done everything requested from us and the state and counties should uphold their side of this commitment.

Our vacation rental helps support the state with paid TAT taxes. In 2019, Maui County generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

Short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For all of these reasons (and more) we urge you to vote NO on HB 76.

Thank you for your consideration.

Sincerely,

Carol A. Carolan

LATE

HB-76

Submitted on: 2/3/2021 5:35:42 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
mark mcdonald	Individual	Oppose	No

Comments:

We own a home in Lahaina that is licensed for short term rentals. License number STWM 2013/0002.

We lived on Maui full time for many years and now no longer can. We, our children and grand children use our home when ever we can. That is one of many reasons why we don't sell it or rent it long term.

We were very concerned and dismayed to learn that the County Council would consider not renewing any of the 229 permits for STRH currently on Maui. The STRH program has a very positive effect on the residents and businesses, visitors as well as the County and State. The families who have stayed at our home cherish all being together in a nice well maintained home rather that being spread out in several hotel rooms. We have 53 reviews from guest who have rented our home all of them are 5 stars! Please feel free to read a few to get an idea of the experience our guests have enjoyed. Our listing number on VRBO is 344553.

As you know, in the past Maui County was concerned about vacation rentals being un-licensed and un-regulated. They encouraged homeowners to obtain licenses. We complied and were among the first to apply for and obtain a license. This took a great deal of time, effort and expense. Once licensed, we began paying an annual license fee, higher property taxes and higher expenses.

Short term rentals exist in desirable places all over the world. Many City, States, Counties etc. have large advertising budgets to attract visits to come and bolster their local economies. The visitor industry brings needed dollars and has minimal impact when compared to many other industries.

Some have said that STRH reduce the number of long -term rentals. I believe that the impact is almost non - existent. Maui and all desirable areas world - wide have always had a second home market. People use their home when they are there, leave them empty when they are not or short term rent them adding to the local and State economy. Further, most STRH's are higher priced homes and they wouldn't be rented long term, if they were they they would have to command high rents. It is estimated that there are 45,000 homes on Maui. The 229 permitted STRH's represents barley over $\frac{1}{2}$ of 1 % (.5088) and as stated very few of that small percentage would ever be rented long term.

The higher rates that " Residential" properties pay (\$5.60) and that permitted "Short Term Rentals" pay (\$10.75) greatly subsidizes the " Home Owner" (rate of just \$2.90),

making home ownership much more affordable at least from a real property tax point of view. We all know that Maui has a lack of affordable housing for rent or purchase. This is not unique to Maui. It is a problem in any desirable town, City, County or Country in most of the world. Cities like Seattle, Portland most of California and others have big shortages of rentals and very low inventories of housing for sale. Unfortunately, very little is affordable because there is more demand than supply. It is a problem in many places, not just on Maui. Perhaps some of the extra property taxes that we are paying could go to create affordable or subsidized housing.

I don't know how to get information on what other permitted STHR people are paying in Property tax, GET/ TAT or expenses to manage and maintain their property. I can give some our numbers and based on some assumptions, try and get a snap shot of what the 229 STRH's may mean to the people and economy of Maui and the State.

Last year we paid \$24,642.79 in Real Property Tax. (We've heard of one property paying about 3X that)

We paid \$48,335.99 in GET/TAT tax to the State in 2018 which Maui County shares in. But maybe not enough!

Our expenses were \$88,568.22 AFTER GET/ TAT, Property tax and Depreciation. That's' \$7,380.68/ Month in expenses for maintenance, management, repairs cleaning etc. Almost all going to businesses and people on Maui.

A 12/21/2017 Survey by Hawaii Tourism says that the average visitor to Hawaii spends \$106.00/ Day without accommodations. \$41.00 for food and drinks, shopping/ \$28.00 and transportation/ \$19.00 and recreation/ \$18.00 = \$106.00/day per person. Most of our guests are 6-8 so say 6 on the low end. That's \$636.00 day x 212 days rented in 2018 = \$134,832.00 that goes into Maui's local economy from just our home. In addition to rent, tax, management, maintenance and repairs etc.

As said, I don't know how to get numbers for the other 228 permitted properties. To get a snap shot, let's say their income, taxes and other expenses are only 60% of what ours are. (Many have even higher taxes and expenses.) Assume they rent for they same number of days. (Likely more because we are very selective) Below are the numbers of what the benefit to Maui and it's residents may look like.

Our Real property tax. $\$24,642.79 \times 60\% = \$14,785.67$ x 229 permitted properties = \$3,385,919.35

Estimated property tax revenue from permitted STRH. If permits are not renewed and the properties go back to "residential" rates at 48% less creates a deficit on \$1,625,249.29. If they became Homeowner rates it would be a reduction in tax of \$2,471,721.13.

Our GET/TAT paid in 2018 - $\$48,335.99 \times 60\% = \$29,001.59$ x 229 = \$6,641,365.02

Our operating expenses in 2018 after Real property tax, TAT/GET and depreciation = \$88,568.22 x

60% = $\$53,140.93 \times 229$ permitted properties = \$12,169,273.40

Average spent by 6 people per day in Hawaii= \$106.00/ per person (seems low) x 6 guests x 212 days we rented in 2018 = \$134,832.00 (assume the same number of days rented as we only rented 58 % of the time. Hawaii Hotels average over 80%) x 212 days
x

229 permitted properties =\$30,876,528.00

Spent in local restaurants, on activities, tours, shopping etc.

Our permitted STRH added \$296,379.00in one year to the local and State economy, benefiting many residents, the County and the State.

Using the assumption that the other permitted STRH average just 60% of our numbers, the 229 SHRH may add \$ 42,173,086.60to the economy. A large number. It is true that some of those guests may still come to Maui and rent hotel rooms, however we believe that many would choose to go elsewhere. Many travelers today want to stay together as a family and have the option cook some meals together, have the space and privacy to watch TV and spend time together as a family.

Please do not choose to end a program that has been, and is beneficial to all stake - holders.

Mahalo for your consideration- Mark McDonald

LATE

HB-76

Submitted on: 2/3/2021 5:40:47 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Pascal Paoli	Individual	Oppose	No

Comments:

I, Pascal Paoli, am a rental property owner in Hawaii. If you need me to provide the address of my property you can contact me at 323-325-1971.

I oppose bill HB76. I need the income that is generated by my rental property from short-term rents and I am certain that many of my customers benefit from renting my property on a short-term basis. I also provide crucial income to the people that I employ to clean and maintain my rental property.

HB76 is highly restrictive and the Hawaii State Legislature needs to avoid this. As the State of Hawaii navigates economic recovery and revives its tourist economy, short-term rentals continue to be a safe, important and preferred accommodation for many visitors as well as a crucial source of income for many hosts.

Please do not prohibit my ability to generate income from my property with short-term rents and my ability to provide income to the people that I employ to clean my property. I also employ individuals to do maintenance on my property. All of this economic activity will cease if HB76 becomes law.

LATE

HB-76

Submitted on: 2/3/2021 5:41:15 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Teague Soderman	Individual	Oppose	No

Comments:

Dear House Committee on Housing, thank you for the opportunity to voice my strong opposition to HB 76.

Our family has been in Hawaii for generations. We purchased our home in Hawaii in 2018 with the intent of moving back to the island full time when we retire. Until then, we rely on short-term rental income to help pay our mortgage, and it significantly contributes to our economic livelihood. If we are no longer able to rent our property, we may be forced to sell our home, and make new long term plans which may include less income in retirement. After many years of hard work and a commitment to a 30-year mortgage, HB 76 is a daunting proposal that will deeply affect our life.

We have the utmost respect for the island, our neighbors, and our local community. We have endeavored to follow all the rules and local ordinances, have obtained the necessary permits, and feel that property owners that have permits and pay taxes should be protected and allowed to continue responsible operation. Responsible short-term rentals should not be lumped in with problematic short-term rentals. Buying a home is one of the biggest financial purchases in one's life, and homeowners should be afforded more domain over how they use and share their home.

Just as STVRs are integral to our finances, short-term rentals are also part of the Hawaii tourism economy. As we look toward tourism recovery, short-term rentals will provide vital tax revenue and play a key role in welcoming travelers back to Hawaii.

Please consider people like us, and protect the rights of other Hawaiian homeowners by voting NO on HB76.

Sincerely,

TS

LATE

HB-76

Submitted on: 2/3/2021 5:48:39 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Linda McGibney	Individual	Oppose	No

Comments:

I am a resident of Hawaii, living in the County of Hawaii. I am concerned with HB76 as I own a STVR Non-conforming property. Citizens of Hawaii have suffered terribly from the covid crisis, barely being able to make ends meet, especial when our livelihood depends on renting a STVR. I oppose any restrictions to licensed STVRs like the one I own. I am a proud host of a vacation rental, and do not feel it is right that HB76 may cause me to use the ability to rent my STVR to guests. As a kamaaina, I take pride in my rental, and I need to income it provides. I have been registered for two years (since the license was mandatory), I pay all my TAT and GET required taxes, I file my taxes monthly and always pay on time. I am a model STVR owners who lives on island. Please take my testimony into account when considering HB76, and don't punish your residents who need their rentals for income. Mahalo for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 5:51:08 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Parsons	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose this bill.

I know many local families who utilize the revenue they receive from their vacation rentals in order to keep the family land in the family for future generations. Taxes, upkeep, and equity loans are paid by the income these vacation rentals generate. The families also utilize the property for personal use throughout the year when it is not being rented to visitors. In many instances, these properties would be lost without the income generated by the vacation rental.

Permitted short-term rentals on Maui have gone through the long and arduous process of ensuring that they operate within the law. The state and counties should uphold their side of this commitment and not be allowed to terminate a sanctioned, fully legal, taxpaying operation on a whim.

These vacation rentals support the state with their TAT taxes. In 2019 Maui County generated \$207,773,430 in TAT revenue for the state, about 33% of the overall collections that year. Why would the state legislature create a bill that could cut a needed tax revenue source? Especially when we know state revenues are not returning to pre-2020 levels anytime soon.

It's estimated that vacation rental guests as a whole spent about \$4.4 billion dollars in 2019, nearly a quarter of all visitor spending in the state.

We all know that Hawaii relies on tourism. That's not going to change in the foreseeable future. Tourism needs short-term rentals now more than ever. They are a proven social distancing lodging option that travelers need, they provide an important source of income for Hawaii citizens, and they provide much needed tax dollars for the State.

Furthermore, short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands.

For these reasons I urge you to vote no on HB76.

Mahalo,

Dale Parsons

Hana

djp@alohanews.com

LATE

HB-76

Submitted on: 2/3/2021 5:51:23 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Russell Evans	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76. I oppose this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

My family and I split our time between Los Angeles and Maui. We have owned and legally rented our Maui house for over 7 years when we are not on island. If our permit was revoked or refused renewal we would not rent our house long term. Maui is our second home. We have been coming here for more than 30 years and we love the island.

Our is in the Kaanpali resort area and our home provides an ideal spot for families and small groups of friends to stay under one roof, cook in our home, enjoy our pool and feel like they are lucky enough to live on Maui, even if just for a week. Many people who choose to rent entire homes for vacation do not wish to stay in large resorts. We believe it is important that the Hawaiian islands offer accomodation choices for visitors.

In additon to all that, we create high paying jobs for residents of Maui. We have a housekeeping team that cleans our house after every check out. In a full year of guest parties the clean crew is paid \$20-25,000. We have a landscaper, pool service, etc. And our course our management company gets \$50-75,000 a year in commissions for renting our house. Eliminating our relationship with the management company will put them out of business, and put people out of work.

Like us, most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Russell Evans

16 Holomakani Place, Lahaina, HI 96761

LATE

HB-76

Submitted on: 2/3/2021 5:54:36 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carol Davis	Individual	Oppose	No

Comments:

Dear Honorable Representatives,

I'm an owner of a condo in Princeville, Kauai. As the State of Hawaii navigates economic recovery and revives its tourist economy, short-term rentals continue to be a safe, important and preferred accommodation for many visitors as well as a crucial source of income for many hosts like myself, as well as very beneficial to the local economy. I respectfully ask you to please let hosts like myself continue the short-term rentals as has been possible in the past. It can only be beneficial to local economy and the State of Hawaii.

LATE

HB-76

Submitted on: 2/3/2021 5:59:44 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
LEE A TOMASSONI	Individual	Comments	No

Comments:

HB 76

Dear Committee Members:

Giving counties the authority to determine their orderly development is expedient.

I hope the hand-off of this self-governance will benefit all of Hawaii.

I own a STVR in a Condo-Hotel. I am thankful and honored; Hawaii is restorative, magical.

STVRs improve 3 guest's needs Resorts & Hotels cannot easily accommodate:
sanctuary, accessibility, meal preparation.

STVRs appeal to guests who feel:

Exposed and judged in check-in lobbies; communal dining rooms are torment.

Overwhelmed by the trip from the lobby, on the tram, and then the long hall to his/her room.

Stressed, because special dietary needs are being met by a busy hotel kitchen.

STVRs allow guests to be in control of the experience. To be a better guest.

Sincerely yours, Lee A Tomassoni

LATE

HB-76

Submitted on: 2/3/2021 6:01:35 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
KBRIM	Individual	Oppose	No

Comments:

This is a terrible idea for property owners who followed the law in obtaining legal short term rental permits here on Maui. Why is this legislation being introduced in such a dire time in our history when everyone is just barely surviving a year shutdown due to a worldwide pandemic? Why would you crush us tax paying citizens who contribute every day to our state and local communities? This is not right and takes away our rights as tax paying citizens. Put this in the trash where it belongs and work on positive legislation that empowers Hawaii citizens who work so hard to give back to the local and state economy. This is just a terrible idea! Did any one talk to economists about what this would do to us...stop it NOW!

LATE

HB-76

Submitted on: 2/3/2021 6:04:43 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Bond	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy. We are in a huge deficit in our budget due to loss of income from tourism, our main income to the islands due to COVID. As we are slowly moving toward a recovery, and vacation rentals are the one source of accommodation that are allowing folks to travel again and feel safe.

I'm also an owner of a permitted legal Short-term rental home. I use the rental to support my family and hopefully be a part of our retirement in 20 years. My husband works 6 days a week as a contractor. We are able to sustain our family with both of our businesses. I have also been operating for 7 years with 0 complaints, with all of my neighbors in full support for my business. I'm at my property several times during the week, and present for every check in, personally greeting my guests.

I ask you all to consider the families that own these rentals that are on-island folks doing what they can to make a viable living here. My cleaners cleaning the property make \$35.00 an hour to clean, which is a closer living hourly amount then what they can make at the hotels, around \$14-15 an hour. These folks have been with me for 7 years, and are folks that grew up here, and or 40 year plus residents. My home would not convert to long-term housing. I would have to sell the home because I would be negative \$2000 or more a month to try and maintain it as do now. I would loss my ability to sustain my family, my cleaners would be lost their jobs, and all the other folks that I use such as carpet cleaning, a/v guy, air conditioning guy, landscaping guy & gal whom I've know for almost 20 years, website folks, all the other folks that I buy local from to supply my baskets of local goods for my guests, and all the small businesses I refer folks to dine at or book their activities.

Each one of these legal STRH's is a network of small businesses, supporting other local businesses. Please remember this as one of the most important reasons why they exist, and why they should be supported and not be phased out.

Also, legal Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment. We have invested time, energy, and lots of money to become legally permitted to participate in the tourism sector. Residents that live in the islands should be allowed to keep their businesses that support their families and support the State and County with taxes that are paid both through property and GET & TAT. Why would anyone want to take away a sector that is paying taxes and heavily regulated to abide by rules to maintain their legal permit?

Additionally, These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Amy Bond

Kihei, Hawaii

LATE

HB-76

Submitted on: 2/3/2021 6:14:23 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Ramos	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy. Folks are choosing vacation rentals over hotels right now due to COVID and the fear of being exposed. We should be rallying support of these small businesses, not taking away an important tourism sector supporting our State with income and tax money.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island then hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Jennifer Ramos

LATE

HB-76

Submitted on: 2/3/2021 6:26:42 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Giubardo	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy. We are in the middle of a pandemic, and short-term vacation rentals are our way out of this mess. Why would we take away small businesses that support our State, and promote diversity in the tourism sector. We are in a huge hole in our economy, trying to dig ourselves out. We should be promoting small businesses, not trying to take away businesses supporting local families. When my fiance and travel we only stay at vacation rentals. We can't afford to stay in an expensive hotel.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Joseph Giubardo,

Pukalani, HI

LATE

HB-76

Submitted on: 2/3/2021 6:28:37 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
kai jack	Ali'i Beach Rentals	Oppose	No

Comments:

Aloha,

My name is Kai Jack and I'm the Founder and Principal Broker of Ali'i Beach Rentals. My company manages about 125 legal Short Term Rentals (STR) in the Waikiki area, employ over 20 Honolulu residents, and have been doing good, honest business for 16 years. I'm in favor of eliminating illegal Short Term Rentals on our island however I'm highly opposed to this Bill which seems to give power to the Counties to phase out legal STR who have followed the rules in the upkeep of their Nonconforming Use Certificate or who have purchased in Resort Zoning because our government zoned it specifically for STR.

If we are no longer able to do STR because of this bill it will catastrophically reduce the rental income of our clients, drastically reduce their property values, and severely hurt the income of my company and subsequently my employees... that's if I can even still employ them at that point.

In closing... I don't want illegal STR in my neighborhood either, but you can't punish those of us doing legal STR in Waikiki. I say let's do more to eliminate the illegals!

Thank you for your time.

Kai Jack (R)

Ali'i Beach Rentals

LATE

HB-76

Submitted on: 2/3/2021 6:29:23 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Todd Black	Individual	Oppose	No

Comments:

Good Morning,

My name is Todd Black. My family has run a Short Term Vacation Rental (STVR) at Puako, Hawaii since ca. 1987. We recently applied for and received a Hawaii County permit to continue this STVR. Our family is dependent on this STVR to provide funding sufficient to maintain the property and pay taxes to the County and State. This rental provides income for local property management, including but not limited to building and property maintenance, local cleaning services, and local businesses for items including repair and replacement of appliances, building and cleaning materials, and property upkeep, including Puako's largest Banyan tree, as well as over 20 coconut palms, most of which were planted in the 1950s. Without a STVR, we would be forced to sell the property, likely to a wealthy family from the mainland or elsewhere. Literally hundreds of local people would be impacted by this sale.

I implore you to reject HB 76. Keep Hawaii alive and productive for the people of Hawaii nei.

Thank you, and aloha.

Todd Black

LATE

HB-76

Submitted on: 2/3/2021 6:31:30 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
colleen p medeiros	Individual	Oppose	No

Comments:

Aloha Lawmakers,

Please accept this letter as my testimony, regarding my opposition or HB76, phasing out Legal Short Term Rental Homes. I would like my personal testimony to be added to the public record.

As a permitted STRH owner/operator, I have spent the past 7 years investing in, and building my vacation rental business, working HARD to stay in compliance, and paying all the required taxes, GET and TAT, through the years. Doing everything required to conduct my business legally, adhering to all County laws.

I am a Maui resident, born and raised in Hawaii (from Kailua, Oahu), and ethnically Hawaiian. This business opportunity came to me during my divorce. I had inherited a generationally- owned family property which I lived in while my children were babies. As a result of my divorce, I had to find a way to support myself and my children on one income. Because of the sentimental attachment to this family home and land, I did not want to sell it, yet it was too far from my work place and it was expensive to live in as a single mother. I moved my family into a less expensive rental, and created a vacation rental business using this asset of my family home. This was the most sound and viable business option I could think of, and quickly execute, at the time. With Maui's tourism industry being strong, and with tourism being one of the main drivers of our economy, I believed it was a sound business choice. This business option has allowed me to keep this home, while also covering the costs of the home. In the beginning, it didn't always make a profit, I have had years of financial loss, but I have weathered the business ups and downs and have created a strong and profitable vacation rental business that guests enjoy. A lodging option that gives travelers a home setting for their family vacation. This business supports me directly, first, in keeping this very special property in my family, secondly, keeping it well maintained, and lastly, it provides much needed supplemental income to my family. Maui's cottage industry offers an authentic experience of the "Aloha Spirit" which Hawaiians have always been known for, I'd say it's a cultural tradition. Lodging at local Maui homes offers an entirely different experience than a hotel stay and many visiting families want this.

With the recent COVID crisis, many of us witnessed how Maui looks with no visitors. The empty beaches, ample parking, no traffic, and uncrowded surf spots, I'll admit, it's

been sublime! (except the loss of income). The idea of “tourism reform” has been on the forefront of how we will diversify our economy to become less reliant on tourism to achieve better balance. I have always supported placing caps on visitor numbers and stricter management of tourists. The lack of such controls has taxed our natural resources, our environment, our roads, our beaches, and our overall quality of life here.

This leads me to the idea of Sustainable Tourism and its fundamental principals, **1.** that the Host community should benefit DIRECTLY. The most critical way tourism benefits the host community, is that **2.** businesses that cater to visitors are localized and **3.** the money stays in the community, **4.** Resources are not negatively impacted. Short-term rental homes fall into this category. Locally owned and operated lodging AKA, Short term vacation rental homes, as well as small locally owned hotels (like The Mauian) are the best models we have for sustainable visitor lodging. I believe that supporting our cottage industry, is the way to begin the “tourism reform”. Short term rental homes do not demand thousands of guests per day, we draw on far less resources; electric, water, etc. to operate our businesses, we employ the entire range of construction and maintenance businesses, cleaning businesses, and yard service business. Most importantly, resident owners like myself, spend ALL our income in this community, all of it, every dollar.

Short-term rentals are the sustainable model for tourism lodging.

I cannot stress enough how my rental business has improved the overall trajectory and quality of my life. I don't live paycheck to paycheck anymore, I can afford activities for my kids, I can pay my mortgage and all my bills, I've been able to donate to non-profits and to folks in need, my rental business has raised the level of my income and given me the ability to simply live and raise my family here without as much financial stress. I choose short-term rental over long-term because the extra income allows me to maintain my property at the proper level, long-term income would not cover the maintenance costs my property demands and if I were to long-term rent, my property would likely fall into disrepair.

Local residents and small business owners should not be cut out from the ability to benefit from the tourism lodging industry, one of the strongest sects of our economy. Cutting local, small business owners out of this business goes against the foundational principal of sustainable tourism-which is that the tourism should DIRECTLY benefit the host community. I have benefited, as have all my short-term rental counterparts, particularly those of us who live here. When we, as the host community do well, those around us also do well. We spread the wealth in many different ways.

Additionally, by cutting out the short-term rental sector, you inadvertently (or perhaps it's intentional) hand over all the financial benefit and gains, to the giant, corporate, big box hotels, that are not locally owned, where the major chunk of profits do not stay in Hawaii but enrich others, in other states and other countries. Is this really the intention?

As a part of "tourism reform" I believe we need to move away from the giant big box hotels. I realize this sounds insane, impossible? But it's as clear as day to me, consider this, perhaps a percentage of hotel rooms could be converted into apartment housing. Hotel Workforce housing. Affordable housing. We need to put more support into our cottage industry because it directly benefits our host community; our mom and pops owned rentals, like mine, our smaller hotels and inns. Please remember there are thousands of local residents who own and operate short-term rental properties. The State ought to be supporting it's residents and small business owners.

Large big box hotels need to be phased out, they are not the sustainable model, they are outdated and damaging to the visitor/community/healthy ecosystem balance because they demand too much; too many visitors, too much of our resources, they've taken our beaches away from us, has this been worth it? I don't think so.

In conclusion, there is room for a well-run cottage industry in the State with regulations that are fair. We are a very small group of permitted short-term rental businesses on Maui (less than 200 island wide), we provide millions of tax dollars to our government and communities. We support many other small businesses we use less resources than hotels, we have a smaller environmental footprint. I am a working mother here on Maui, all the income from my business stays right here in my community, I pay for, groceries, school supplies, I pay my taxes, all my kids activity/sports clubs expenses, clothing, I support community non-profits. I support the folks I employ to care for my property; house cleaners, yard men, handy men, and contractors of all sorts. I often lend the house to relatives, local sports teams and offer it in silent auctions to help groups make money for their organizations. This is a strong business for many folks and supports my community in many positive ways. This business fits the Sustainable Tourism model, it has a low environmental impact and DIRECTLY benefits the Host community, which is me and all those around me, I am a part of the host community. All the other resident owners are a part of the Host community. By taking away this business option, residents like myself would be further crippled by the inflated cost of living.

For these reasons I oppose HB76. This sect of our economy needs to be supported by State and County entities, and built up to be the best and most positive cottage industry in can be for our communities. I would go so far as to say ownership of these short-term rentals should be incentivised for Hawaii Residents, so that we can have MORE local ownership of our tourist economy. Small-scale, locally owned, is the future for tourism.

Mahalo for your time,

Colleen P. Medeiros

LATE

HB-76

Submitted on: 2/3/2021 6:32:55 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Milo K Spindt	Hawaii Legal Short-Term Rental Alliance (HILSTRA)	Oppose	No

Comments:

HILSTRA is strongly opposed to HB76. Any ordinance enacted by the Counties under a law of this nature would clearly constitute a regulatory taking of reasonable use or value from an Owner's permitted use of their real property. By suggesting that a State law would in anyway give permission to the Counties to reduce the permitted use of a property over time is contrary to Uniteds State contitutional law.

HILSTRA supports the State of Hawaii and the Counties therein, in their enforcement efforts with regard to unpermitted Short Term Rentals but strongly supports property owner's right to use their properties as allowed under nonconforming and conforming permits.

LATE

HB-76

Submitted on: 2/3/2021 6:35:10 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
MICHAEL RAMOS	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy. My wife and I have been residents of Maui for over 20 years, and we support vacation rentals. We support legal, permitted vacation rentals which support our community, State, and local county. These folks are newworks of small businesses perpetuating business and growth in the tourism of Hawaii. We only stay in vacation rentals that are owned by local residents. While the hotels are important to Hawaii, so are the small business that offer accomadtions at a more reasonable cost. People want to stay in vacation rentals right now because they feel unsafe from potential COVID-19 exposure. We should be supporting ANY small business that supports a local family living here in Hawaii.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island then hotel rooms (7372) according to Real Property Tax

data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Mahalo for you consideration.

Michael Ramos,

Pukalani, Hawaii

LATE

HB-76

Submitted on: 2/3/2021 6:35:47 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Downer	Individual	Oppose	No

Comments:

To whom it may concern:

I strongly opposed HB76. The County of Kauai has a long history of trying to irradiate vacation rentals, especially those outside the VDA that hold TVNC permits. By passing this bill, it will give the County more power to shut down vacation rentals and, in essence, the islands economy. Our community relies heavily on income from the vacation rental industry (as seen with the serious repercussions from the pandemic).

There is no reason why legal vacation rentals shouldn't continue as long as rules are followed and permits are renewed each year. Most vacation rental owners and managers are law abiding, tax paying, good citizens who employ a great deal of the islands population. I ask that you kill this bill.

Mahalo,
Lisa

LATE

HB-76

Submitted on: 2/3/2021 6:39:06 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Andy M	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to give my testimony on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. We are in and suffering from a pandemic. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy!!

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment. Why are you planning to punish the law abiding citizens?

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island then hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever, especially after being closed for tourism for so long in 2020. These short-term rentals are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and to landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons I urge you to vote no on HB76.

Thank you for your time and consideration.

Andy

LATE

HB-76

Submitted on: 2/3/2021 6:39:52 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lucia Maya	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I strongly oppose this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

I'm a vacation rental owner and use my permitted Bed and Breakfast property for part of the year for friends and family and it would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island then hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons I urge you to vote no on HB76.

Thank you for your consideration.

with aloha,

Lucia Maya

LATE

HB-76

Submitted on: 2/3/2021 6:50:51 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert R. Ellison	Individual	Oppose	No

Comments:

When the struggling Hawaii economy, including the decimated tourism industry, is not expected to make more than a very slow recovery at best when the pandemic recedes, it makes no sense to be proposing legislation that exacerbates the challenges ahead.

Many of the tourists who stay in vacation rentals would simply not visit Hawaii at all if their only option was to stay in hotels. This is particularly true in this new era when social distancing is a goal that is far more difficult to achieve in hotels than in vacation rentals.

With the Counties now signing agreements with the major listing platforms (Airbnb, VRBO) to require the posting of license numbers with vacation rental listings, the problem of illegal vacation rentals is finally being rapidly brought under control.

To obtain one of the 2,376 NUC's issued by the C&C of Honolulu in 1989, a property had to be in use as a vacation rental since at least 1987. This means that all of the surviving 600+ TVU's with NUC's on Oahu today have been operating continuously as legal short term rentals for at least 34 years. The C&C of Honolulu's rationale for "grandfathering in" the original and only batch of short term rental NUC's ever issued, was that in addition to tourists, local residents needed TVU's. Kama'ainas signed petitions to that effect in 1989, to persuade the C&C of Honolulu to allow legally operating TVU's (those that had been declaring and paying GET for the previous two years) to be licensed and to remain in business.

Locals supported a reasonable number of TVU's in their neighborhoods then and now, to provide for visitor overflows during family reunions, weddings, etc., when they do not have room in their own homes to accommodate all of their visitors, and don't want to send their guests to Waikiki. Since TVU's on Oahu were allowed to reopen on October 22, 2020, a high percentage of the bookings have been kama'ainas having "staycations," who obviously do not feel safe in hotels.

Destruction of the legal short term rental industry in Hawaii will have only one beneficiary – the ever-lobbying hotel industry. The benefit will not be a net transfer of guests from TVU's to hotels, however, as many TVU guests will simply choose to not visit Hawaii. This is not what the State of Hawaii and the Counties need at this time, or any time in future, when maintaining tax revenues is essential..

Furthermore it is grossly unfair that the small business, owner-operators of legal short term rentals, who have complied with all relevant laws and regulations for so many years, would once again having to look over their shoulders at the threat of being shut down by ill-conceived government actions.

The proposed HB76 should be struck down.

LATE

HB-76

Submitted on: 2/3/2021 7:09:22 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Eve Hogan	Individual	Oppose	No

Comments:

HB76

Relating to Counties

Aloha,

My name is Eve Hogan and my husband, Steve, and I own a STRH on Maui on the property adjacent to our home. Our farm extends to both properties—part of which, The Sacred Garden, is run by my non-profit and is free and open to the public as a day destination for locals and tourists alike for education, inspiration and rejuvenation. The 10,000 sq. ft. greenhouse has beautiful displays of both ornamental and edible plants inspiring people from all walks of life to explore agriculture for food, pleasure and peace of mind.

Getting the permit for our vacation rental was not easy—nor was transforming a run down, trash-dumped, cane grass over-grown property with a long prior history of drug abuse and drug sales into a beautiful farm with diversified agriculture and renovated homes.

Trying to restore and sustain property in Hawaii with income from small farm agriculture alone is simply not viable. The ability to offer Agtourism accommodations allows us to continue working the land, growing food, providing jobs, providing services for the local community and showing the Spirit of Aloha to visitors—who in turn support other locally run businesses in the community.

My husband and I have lived in Hawaii for over 30 and 40 years. We have both worked hard in service and finally were able to buy land, create a LEGALLY PERMITTED business to sustain us through our retirement. We have jumped through all the required “hoops” that the county and state have asked of us. We pay HUGE taxes for the right to run this business. And yet, it seems like every year some legislation comes up to shut us down and we once again have to fight for our livelihood and defend the contribution we make to our communities. We are blamed for the lack of affordable housing in Hawaii, which is ridiculous as the properties that are most desirable for vacation rentals

would not be “affordable” homes. That is like suggesting that you turn all the big ocean front hotels into low-income housing. It simply is not the solution.

It is an inaccurate perception that all STRH’s are owned by rich people from out of state. We are not all the same. Many of us are hard working, long-term members of the community who have invested everything we have into a business on our property— with the blessing of the government. This right should be protected by Government and legislation, not attacked by it at every opportunity.

In my observation, every time “affordable housing” is addressed, STRH’s are gone after as the low hanging fruit. I urge you, the legislators, to stop expecting home owners to provide affordable housing on property that wasn’t affordable in the first place. **THIS IS NOT OUR JOB. It is YOUR JOB.** Make it easier to get permits. Make it easier to get water. Make it legal to put a kitchen in an ohana as a rental. Allow more than one house and one cottage on a property. Improve the landlord/tenant laws so that it isn’t so torturous to be a landlord. There are a lot more things you can do to create housing than go after our very important tourist industry.

May I also remind you that we need tourism in Hawaii—if 2020 showed us anything, it showed us what happens when the tourists stop coming. The people who seek out accommodations on farms or in the countryside are not the same people who stay in resorts. In fact, they simply would not come to Hawaii if resorts were their only option. And, in light of the pandemic, visitors are far safer staying in a private accommodation without any other guests or common areas than staying in a high-occupancy situation and this also minimizes spread to the local community.

We provide a service. We provide a LEGAL service. Please, I urge you to PROTECT legally permitted STRH businesses. Thank you

Much aloha,

Eve and Steve Hogan

808-280-5294

LATE

HB-76

Submitted on: 2/3/2021 7:09:36 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Vaverko	Individual	Oppose	No

Comments:

To the State Legislators of Hawai'i:

I (a STVR owner and operator) am in opposition of HB76. My two STVR's directly impact the lives and financial security of a dozen or so people. We employ cleaners, handymen, pool companies, and landscapers. Personally I pay over 35k in TAT and GE taxes from properties with my NUC permits. Most of the money I earn is flowing directly back into the local community.

During the current economic situation I find it ridiculous that the war on STVR continues. I do not trust the county to act logically, fairly, or responsibly with the power to "phase out" STVR in ALL zoning areas if it so wished. If that were to be the case the US Supreme Court set precedent in the following case:

The US Supreme Court has already ruled that these kind of laws are a violation of your 5th Amendment Property rights in *Murr v. Wisconsin*.

"While observing that the "central dynamic of the Court's regulatory takings jurisprudence . . . is its flexibility," the Court in *Murr v. Wisconsin* reiterated the "two guidelines . . . for determining when government regulation is so onerous that it constitutes a taking." First, with some qualifications, "a regulation which denies all economically beneficial or productive use of land will require compensation under the Takings Clause." *Id.* (quoting *Palazzolo v. Rhode Island*, [533 U. S. 606](#), 617 (2001)). Second, if "a regulation impedes the use of property without depriving the owner of all economically beneficial use, a taking still may be found based on 'a complex of factors,' including (1) the economic impact of the regulation on the claimant; (2) the extent to which the regulation has interfered with distinct investment-backed expectations; and (3) the character of the governmental action." (quoting *Palazzolo*, 533 U.S. at 617)."

I urge you to not pass HB76 and instead focus your efforts on figuring out ways to bring back our suffering economy and create an environment where small businesses can succeed instead of having to constantly battle rules and regulations that hinder the free market.

Thank You,

Daniel Vaverko

LATE

HB-76

Submitted on: 2/3/2021 7:18:07 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Leilani Sim-Godbehere	Individual	Oppose	No

Comments:

Aloha,

I am opposed to HB76. My family owned property income, which was short term rented was a crucial part of my widowed mothers income. That property has also been the bread and butter of so many of our helpers including managers, cleaning people, handymen, and yard and landscape workers.

Please do not take our local neighbors livelihoods away from them.

Mahalo,

Leilani Sim-Godbehere, DVM

LATE

HB-76

Submitted on: 2/3/2021 7:21:04 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
MARK EIDEM	Individual	Comments	No

Comments:

HB 76

Dear Committee Members:

I am concerned that giving the counties the authority to determine their orderly development is a ploy to give Hotels & Resorts legislative advantages not given to STVRs.

I believe the hotel industry would like to eliminate a serious source of disruptive competition that frankly they cannot compete with based on value. Please consider the good of the entire Hawaii economy and the visitor experience before you enact this potentially draconian legislation.

The issue: hotels cannot compete with vacation rentals on a value proposition.

For 22 years, I have visited Hawaii every year; the next 20, I visited twice a year. For 16 years, one week was a working-week. I have experienced the best Hawaii offers guests.

Regardless of location, one hotel experience is quite similar to every other.

About four years ago, my wife and I achieved a longtime goal when we purchased an oceanfront condo in Kona. Contrasted with a hotel, our condo offers a true oceanfront experience, with a fully stocked kitchen and two bedrooms. A comparable room in a hotel (without a kitchen) would cost at least \$500/night. Our condo rents for less than \$200/night.

Contributing to local community:

Required by law, we have an on-island property manager. We hire from local companies for repairs, cleaning. Our condo-hotel owner's Association has contracts

with local companies for front desk staff, a maintenance team, groundskeepers, and security.

Contributing to Hawaii county and state economy:

Our vacation rental is a licensed, conforming property, and we pay the same general excise and tourist accommodation taxes that the hotel industry pays. The COVID-19 quarantine restrictions, which has devastated the Hawaii economy, greatly impacted our budget to support our condo.

Approval of this proposed legislation, will be devastating for many small business owners like ourselves.

LATE

HB-76

Submitted on: 2/3/2021 7:38:08 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Montana Tsubamoto	Individual	Oppose	No

Comments:

I oppose bill HB76 for many reasons. First of all, it would personally hurt me and my family. We enjoy hosting families and it is necessary to help pay for the high cost of living. We have the highest costs in the nation and rely on other sources of income to help feed our children.

Secondly, legal short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation.

Lastly, Short-term rentals are an integral part of the Hawaii eco tourism economy. As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue. In closing, this bill would not support the struggling local community and will only benefit the big time investors from other countries profiting off of the resorts that have littered our islands' coasts.

LATE

HB-76

Submitted on: 2/3/2021 7:41:50 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jackie Cummings	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Sincerely,

Jackie Cummings

LATE

Aloha Housing Committee,

I am a Co-Owner of the Kahana Nui house, and I oppose this bill because it will crush the local economy and it will take away the invaluable experiences that the short-term rentals allow my family and families that rent the house.

This bill will devastate the local economy. If you look at the money generated from the short-term rental of our house alone, you are likely looking at \$200,000/year for the county, between property taxes, the GET/TAT, the payments to all of the people who help keep up the house, from the pool technician to the cleaners, the landscapers and other maintenance projects. Not included in those numbers is the money that our renters spend coming to Maui and enjoying the local economy.

Also, it may force us to sell our house, which is a very special place to our family. My Dad and his local friend built the house, and we gather three generations in the house. My kids describe it as their favorite place, where they spend time with their cousins, aunts and uncles and grandpa, and they include it in any school project about themselves. All of us would be heartbroken.

We have done everything we can to operate both lawfully and respectfully to the community. We are pro-local. Locals have used the house rent free when it is not rented. We do our part. It wouldn't be right for the County and State not to uphold their side of the commitment.

If we were to sell the house, the potential buyers who could afford this house as a second home without doing short-term rentals may not have the same respect for the local community that we do.

Also, staying in a home provides a very unique experience for our guests. This has been especially crucial during Covid since it allows for a safer way to travel while abiding by social distant guidelines. As AirBnb increasingly becomes a norm for travel, tourists will simply choose to go elsewhere if a short-term house rental is not an option.

The reasons to keep short term rentals are clear: they are an investment in the local economy and provide precious family experiences for the owners and renters.

I request that you please hold these points clearly in your mind.

Sincerely,

Ann O'Brien
Co-owner of Kahana Nui

LATE

HB-76

Submitted on: 2/3/2021 7:52:44 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Martha Tumbleson	Kona Homes LLC, Big Island Vacation Rental Association (BIVRA)	Oppose	No

Comments:

I have been a Realtor on Hawaii Island since 2007. Much of my business over the past 14 years has been to mainland clients purchasing vacation rental property. I also own a vacation rental property here myself. These properties provide much needed income to the county of Hawaii with responsible owners who pay their taxes (property as well as GET and TAT) as well as support local businesses when they and their guests come to the island spending their vacation dollars. Properties that have permits and pay taxes should be allowed to continue responsible operation.

As written, HB76 would give authority to the counties to disallow short term vacation rentals in any zoning. So a county could decide to disallow all vacation rentals in the entire county. This would be a disaster for Hawaii County. As much as we would all like to see the county become less dependent upon tourism, the fact remains that we are definitely dependent and this is not going to change significantly. Other businesses who try to diversify the island are driven away - such as the TMT. This pandemic year proved that without tourism, local unemployment will skyrocket. The locals will struggle with how to make an honest living. Many will not be able to afford to live here any longer and forced to move away from their ohana in search of income and self-esteem.

In addition, property values would plummet. The loss of property tax revenue alone to the county would be catastrophic since property taxes are based on the value of the property.

As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue. Please do not jeopardize the recovery at this critical time.

mahalo for your consideration.

Martha Tumbleson, RS-70184

LATE

HB-76

Submitted on: 2/3/2021 7:53:54 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kjelsey Fortun	Individual	Oppose	No

Comments:

Hello and hope you and your families are staying safe and healthy,

Short-term rental homes (STRH) provide a significant benefits to Hawaii – please don't phase them out.

My family owns a STRH in Maui that is used by our extended family and rented to vacationers. Our home attracts visitors to Hawaii by offering vacation accommodations that are different from a resort hotel. Our home offers visitors multiple bedrooms/full kitchen/laundry, an 'ohana, a private pool and hot tub, and ocean access. Many of our guests visit for a special family occasion or annual reunion/vacation and actively seek out the privacy and independence that a rental home provides. If STRH's are phased out, these guests will go somewhere other than Hawaii for their annual vacation or special celebration. This home would not affordable to rent long term, so it does not negatively impact local access to affordable housing.

Our guests positively contribute to the local economy when they visit. They support local shops and farmer's markets, attend Luaus, go on cruises, tours, and whale watching trips, and rent snorkel gear. They take surf lessons, hire yoga instructors, and have spa days. They frequent restaurants or hire private chefs to prepare special dinners at our home.

Our STRH further supports the local economy by hiring local housekeepers, window cleaners, pool cleaners, landscapers, plumbers, a/c technicians, repair technicians etc. as we must keep our property in pristine condition in order to remain competitive. If we cannot rent our home as a STRH, we will no longer be able to support these local workers.

Our property is taxed at a much higher rate than most properties in Maui County because it is a vacation rental. If STRH's are phased out, our property tax rate will revert to a lower rate. We also pay monthly TAT and GET taxes which are also significant—14.25% for each rental. This can total up to \$10,000 per month.

Also, as we all work to respond safely to COVID-19, STRHs are a safer way to continue reopening Hawaii's tourism economy. Vacation rentals are already used to lower

occupancy rates, and contactless check-ins so they have social distancing safety measures already built-in.

The STRH program contributes much to Hawaii's economy. It is an asset that was thoughtfully and thoroughly considered, took many years to develop, and provides so much value to our community. We are hopeful that the STRH program is allowed

LATE

HB-76

Submitted on: 2/3/2021 8:03:01 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dan Carpenter	Individual	Oppose	No

Comments:

This bill is counterproductive to the wellbeing of the State of Hawaii, potential visitors, and people who operate short term rentals. We need to encourage more of them now not less. With Covid as an issue most people do NOT want to be crammed into close proximity with others in a hotel setting.

LATE

HB-76

Submitted on: 2/3/2021 8:20:37 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Heh	Individual	Oppose	No

Comments:

As LEGAL short-term vacation rental owners, we strongly oppose this sneaky bill you are trying to pass. We've paid Resort rate property taxes and TAT taxes for 15 years and there is no purpose in passing this bill. Our building has had a non-conforming use certificate since the beginning and we support the economic strength of Oahu. There is no point or purpose in passing HB 76 other than a gross overreach that voters do not support so please kill this bill!

LATE

HB-76

Submitted on: 2/3/2021 8:21:46 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicki Anderson	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

My husband and I oppose this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

We utilize our property for significant time during the year and if we could not short term rent our property, it would not become long term rental housing. It is the same for many of these vacation rentals with owners who also utilize their property for part of the year so they would not be available for long term rentals or housing.

We have always operated with due diligence towards following the law and we bought our property with the knowledge that it could be used as a short term rental. It would be wrong to change the terms of that agreement at this point. Short-term rental owners on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens. The hotel lobby should not

be able to run out of business their legitimate competition. Many of our guests much prefer a home setting to a hotel room. They want to cook meals together and relax in a comfortable setting. Taking these options away from tourists is unreasonable and does not accomplish anything for our County.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we sincerely urge you to vote no on HB76.

Thank you for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 8:25:58 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dane Ramos	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island then hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Dane Michael Ramos

LATE

HB-76

Submitted on: 2/3/2021 8:26:23 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lonny Hurley	Individual	Oppose	No

Comments:

With the changing tourism climate and the ending of the pandemic you will find tourists less likely to stay in hotels that are full of people versus travelers that want to stay separated by more than a wall.

There are many people who are working remote who are traveling to visit beautiful places and wouldn't stay in a hotel for a month on Hawaii, they would take their money somewhere else.

Responsible short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation.

Short-term rentals are an integral part of the Hawaii tourism economy. As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue.

LATE

HB-76

Submitted on: 2/3/2021 8:35:27 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
paul ramos	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

Why you would consider to allow banning of vacation rentals at this time is not sensible. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals ([11768](#)) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 8:36:45 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brooklynn Ramos	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

Why you would consider to allow banning of vacation rentals at this time is not sensible. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals ([11768](#)) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 8:38:43 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bryan ramos	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

Why you would consider to allow banning of vacation rentals at this time is not sensible. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

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Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

LATE

HB-76

Submitted on: 2/3/2021 8:38:54 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Breanne Fortun	Individual	Oppose	No

Comments:

Aloha,

I am writing in opposition to HB76. Please do not make changes to restrict short-term rental homes (STRH).

STRH permits benefit the local economy. State and County finances are already constrained due to COVID-19. Now is not the time to consider reducing existing revenue streams. Despite being restricted from renting our home to short-term guests since March, we have continued to pay the property tax premium associated with our classification as Short Term Rental. [Effective July 1, 2020](#), property tax rates for Short Term Rentals are higher than Hotels and Resorts and over 2x the rate of Non-Owner Occupied properties. Short Term Rentals alone have been projected to raise 31 percent of our county's real property tax revenue this year. Short term rentals have also been the biggest contributors to the county's Affordable Housing Fund for the last two years, and are projected to be the biggest contributor in the upcoming year as well. In addition to higher property taxes, STRH also pay TAT and GET of 14.25% on each rental.

Furthermore, luxury short-term vacation rental homes attract high spending visitors to our local economy. Vacation homes allow for contactless check-in, social distancing, and provide guests with additional confidence in their health & safety through exclusive use of a private home during their stay. These homes accommodate tourists who value privacy, quiet, and the intimacy of safely vacationing together with their family and/or friends under one roof while they make memories of a lifetime together in paradise. Our guests invest tens of thousands of dollars in their trip and would otherwise travel to another island or international destination if STRH are eliminated. During their stay, they dine out at high-end restaurants featuring local ingredients, support the tourism industry by booking boating excursions, luaus, farm tours, spa packages, in-home chefs, and other adventures, stock the home with groceries, and shop at high-end retailers. They often rent or purchase snorkel gear, paddle boards, baby furniture, and other amenities for their stay on island. STRH also support local small business service providers by employing house cleaners, managers, gardeners, pool maintenance, window washers, repair personnel, etc. Maintaining Maui Short-Term Vacation Rentals for transpacific tourism, is a key factor in strengthening our economy.

I am an owner of a STRH in Napili in West Maui. It is a 4-bedroom home with a pool, hot tub, garden, and access to the ocean. We support Short Term Rental Homes and the tremendous economic value they provide to Maui. Please ensure the STRH ordinance and permits continue.

Mahalo,

Breanne Fortun

STWM 2015/0013

LATE

HB-76

Submitted on: 2/3/2021 8:50:45 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Beth Cagnoni	Individual	Oppose	No

Comments:

Aloha

I'd like to offer my comments on HB76.

I am concerned about the potential unconstitutionality of this bill under the Fifth and Fourteenth Amendments to the United States Constitution. Additionally, I am concerned about the unconstitutionality of enforcing such a legislation under the Fourth Amendment, which protects persons from unreasonable searches and seizures. In September of 2019, The Federal Court of the United States of America ruled that the search regimes, imposition of fines, search and penalty provisions, and failure to provide opportunity for compliance BEFORE imposition of fines violate the Fourth Amendment rights of the individual.

The excessive fines under Hawaii Ordinance 19-18 are already unconstitutional and could be used as a pretext for harassment. 1

Furthermore, "In February [of 2019], the U.S. Supreme Court ruled that the Eighth Amendment's prohibition on excessive fines applies to state and local governments. The Hawaii Constitution also has a clause that protects citizens from excessive fines [Under Section 12 of Article 1 of the Constitution of the State of Hawaii] ." 2,3

"The only thing necessary for the triumph of evil is for good men to do nothing."

-Edmund Burke

"To sin by silence when they should protest makes cowards of men."

-Abraham Lincoln

“It is not power that corrupts, but fear. Fear of losing power corrupts those who wield it and fear of the scourge of power corrupts those who are subject to it.”

-Aung San Suu Kyi

In addition to this proposed bill being unethical and unconstitutional, here are a few other facts the state of Hawaii should consider:

-Many of these homes are higher end homes . They are not causing a shortage of rentals, because the owners use these homes themselves one to six months of the year, and only rent them out as STR when they are not occupied by the owner. If STR permits are revoked, you are not increasing the amount of long-term rentals; you are only removing the jobs these STR properties are providing to managers, gardeners, housekeepers, contractors, and agents. By phasing out STR permits, you are increasing unemployment rates and taking jobs away from good citizens who want to work in their communities. Many of these are single moms and dads who can't work the hours that hotels require.

-Allowing the STR permits allows these local housekeepers and gardeners to make a better living and own their own businesses, rather than making less money at a hotel, having to drive further distances to work, and having to work long hours instead of being able to set their own schedule.

-STR homes are not causing higher rent prices or a shortage of long-term rental homes. Drive up a single street on Maui and you will see 2 vacant lots, and three vacant homes. There is plenty of room for long-term and short-term rental properties to co-exist. The state could impose a tax on vacant properties to push the landowners and investors to sell or build housing and provide more inventory for the market.

-Permitted homes do NOT create extra noise and parking issues in the neighborhoods they are in. They have been proven to blend into their communities with no complaints, and they actually gentrify neighborhoods and increase quality of life for the permanent

neighbors. Short term guests cause less wear and tear on homes, and the host has more control over who stays in the house. The STR online platforms all include rating systems to evaluate guests and hosts, and hosts can choose whom they allow to stay in their property. I don't hear of short term guests throwing loud parties, destroying homes, cooking meth, or leaving garbage in the yard. There is no overcrowding, or parking shortages when a short-term guest stays because the host can set a limit on the number of guests, prohibit loud parties, and specify parking rules. Guests are always eager to follow the rules and get a good rating from the host. Unfortunately, loud parties, destruction of homes and gardens, drug and alcohol problems, leaving garbage in the yard and street, overcrowding, incubation of illegal aliens, broken down vehicles and too many vehicles are all very common problems with long-term rentals here in Hawaii.

-Short term rentals gentrify the neighborhoods and make Hawaii a nicer place for everyone to live. Vacant homes have peeling paint and overgrown yards. Some are boarded up, many are falling down and are dangerous. They attract graffiti and crime. STR properties have clean windows, well-maintained yards, upgrades and safety precautions. Owners work hard to keep homes in good condition in order to get good ratings from guests.

-Most STR permits are owned by middle class, hard-working families, not out-of-town corporations. Marriott and Hyatt are getting into short-term rentals because they realize this is the future of the travel industry. Phasing out STR permits would leave those out-of-town corporate hosts without local competition. Local hosts spend their money in Hawaii, and they recommend local businesses to their guests. If they are all driven out of short-term rentals, only the corporations will be left, and that money won't go back into Hawaii's economy. 4

-Short-term rentals can have a positive economic impact to each island in many ways. For example, they can provide each county with an additional income through tax revenues. At the same time short-term vacation rental guests can benefit the community as a whole in terms of economic benefit, because guests will spend their money in other visitor related amenities such as restaurants, bars, entertainment, transportation, shopping, and museums. Maui visitor spending alone hit a new high in 2019 at \$5.12 billion, much of it on small businesses and locally-owned restaurants, largely due to the fact that visitors staying in short-term vacation rentals have more flexible spending because they aren't spending as much in a hotel. 5

-STRs are NOT contributing to Hawaii's housing crisis. The housing market in Hawaii is not "affordable" and the median wage earner cannot afford the median priced home. In many cities the housing market became unaffordable rapidly in the last few decades of the 20th century: San Diego, San Francisco, Los Angeles, Seattle, New York, Portland... All these cities' housing prices outpaced inflation and wage increases. And this was before there were online platforms like VRBO and AirBnB. What causes the rapid increase in housing prices is rapid migration to that city or county; People want to live there! And as our economy becomes more global and the workforce is able to telecommute more and more, many more people are going to move to Hawaii. This is changing our neighborhoods and economy and it has nothing to do with STRs.

We need to address how we can help Hawaiian locals afford a home as the house prices are rapidly rising. The government could start a program for locals that gives them low-interest, long-term, or no-down payment loans so they can afford to purchase a home. Instead of wasting time and money on unconstitutional regulation, fines, and enforcement, the state of Hawaii can use the taxes from short-term rentals to pay for programs that teach locals how to run a proper STR out of their own home! Teach local families how to use the STR platforms, clean and upkeep the property, pay the taxes; and **MAKE THE PERMITTING PROCESS STREAMLINED AND ATTAINABLE!** Instead of instilling fear of the changing global economy, the state can embrace the inevitable change and educate locals on how to use these new technologies to create new lines of revenue.

Short-term rentals are not the cause of the housing shortage but allowing more STRs can definitely be part of the solution.

"Property is the fruit of labor; property is desirable, is a positive good in the world. That some should be rich, shows that others may become rich, and hence is just encouragement to industry and enterprise. Let not him who is houseless pull down the house of another; but let him labor diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

-Abraham Lincoln

"Both free speech rights and property rights belong legally to individuals, but their real function is social, to benefit vast numbers of people who do not themselves exercise these rights."

-Thomas Sowell

“Allowing island families to share their homes with travelers looking for alternative or less expensive visitor experiences would certainly help them cope with Maui’s high cost of living. At the same time, it could increase fees and tax revenues for the county and state, as well as help the economy generally through increased, above-board visitor spending.

Airbnb alone hosted 43,000 visitors on Maui in the summer of 2017, while in 2015, Airbnb visitors statewide spent an average \$1,302 each during their trips, including for lodging, food, entertainment, shopping and transportation. Clearly, home-sharing contributes tens of millions of dollars to the Valley Isle economy every year.

Instead of piling more regulations on local short-term rental owners trying to gain compliance, Maui policymakers should focus on making it easier for them to become legal — by reducing requirements such as forms, fees, caps and hearings, and reducing applicable taxes as well.

Doing so would, at the very least, help many local families afford to stay in the islands, while producing economic benefits for all Maui County.” - Joe Kent 6

The state of Hawaii can improve quality of life for locals, gentrify neighborhoods, help lower- and middle-class families keep their homes, pay for programs to educate and help people, fund better public education on our islands, allow housekeepers, gardeners, and managers to make a living wage and work close to home, improve the local economy, and help individuals and families to afford a place to live.

Short term rentals can and do benefit neighborhoods and counties!!!

Thank you -

Beth Cagnoni

“The spirit of resistance to government is so valuable on certain occasions, that I wish it to be always kept alive.”

-Thomas Jefferson

1. Fritz, Farrell, P.C. and John Stellakis. "Short Term Rental Law Stumbles, but Survives Federal Court Challenge." JD Supra, JD Supra, LLC, 16 Sep 2019, <https://www.jdsupra.com/legalnews/short-term-rental-law-stumbles-but-98938/>.
2. Kent, Joe. "Testimony on short-term rentals - Bill 89." Grassroot Institute of Hawaii, Grassroot Institute of Hawaii, 8 May 2019, <https://www.grassrootinstitute.org/2019/05/testimony-on-short-term-rentals-bill-89/>.
3. Article 1, Hawaii Consitution. BallotPedia, BallotPedia, accessed 3 Mar 2010, https://ballotpedia.org/Article_1,_Hawaii_Constitution.
4. Morgan, Nick. "A Host Takes on Arguments Against Short-Term Rentals. Rivard Report, Rivard Report, 17 Feb 2018, "<https://therivardreport.com/a-host-takes-on-arguments-against-short-term-rentals/>.
5. "Six Ways That Short-Term Vacation Rentals Are Impacting Communities." Host Compliance, Host Compliance, LLC, accessed 2 Mar 2010, <https://hostcompliance.com/how-do-short-term-vacation-rentals-impact-communities>.
6. Kent, Joe. "Maui County Should Welcome Vacation Rentals." Grassroot Institute of Hawaii, Grassroot Institute of Hawaii, 28 Sep 2018, <https://www.grassrootinstitute.org/2018/09/maui-county-should-welcome-vacation-rentals/> .

LATE

February 3, 2021

Aloha All, My name is Kirsten Carlson and I'm opposed to HB67.

Here is why, My Mother bought vacant land in Milolii Beach Lots in 2003. She bought the land to build a vacation rental home to assist with her retirement income. She built the house in 2008. She marketed the property on different websites besides word of mouth starting in 2008. So, the house has always been a short term vacation rental since it has been built in 2008. Starting in February 2019 she gifted me the property after her Husband passed away. She wanted to give me the house then instead of when she's gone so she can watch me enjoy her vacation home. And to continue renting it out as a short term vacation rental to assist in paying the maintenance of the property.

I love my Milolii home. It is incredibly special since my Mom built it and I enjoy staying there when I can. I can't imagine being able to keep the home if I didn't have the Short Term Vacation Rental Permit and Non-Conforming Use Permit for the additional income to assist in maintaining the property. Eventually I hope it assists in my retirement plan as well.

I hope you vote against HB67 so I can keep my family vacation home and then I'll be able to pass it down to my Son's.

Mahalo for taking my testimony into consideration.

Kirsten Carlson
REALTOR, Salesperson
RS-65036
LUVA Real Estate 75-240 Nani Kailua Drive, Ste 8
Kailua-Kona, HI 96740 | O: 808.769.5111 | C: 808.937.9163

LATE

HB-76

Submitted on: 2/3/2021 9:47:43 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marley Taufmann	Individual	Oppose	No

Comments:

To whom it may concern,

I am writing in opposition to HB 76. The Short Term Vacation Rental industry has been under attack since Bill 108 was approved and past. We understand the concern that residential community members have in regards to STVRs in neighborhoods that are not zoned resort. However, the rentals that have now jumped through all of the hoops to obtain their non-conforming use permits should not be under further duress. I believe the benefit of STVRS (whether zoned Resort or non-conforming) only benefit the community. The 30+ homes that we manage on behalf of owners (some of which live on island) are mostly in the South Kohala district. These homes would not be rented out as a long term rentals for local tenants but would merely sit empty except when the Owners come for annual or semi annual trips. When the home is rented as an STVR it not only produces copious taxes (TA and GE) for the County, but it employs cleaners, landscapers, massage therapist, property managers, window cleaners, carpet cleaners, concierge workers etc etc. The trickle down effect is immeasurable. These workers would lose their businesses if non-conforming use permits were revoked. I am sure the Resorts are aggressively lobbying to remove these STVRS as I can't imagine any other reason to take away rentals that have been serving the community for 20+ years. These are not obnoxious party rentals that are destroying communities as those should have been denied a permit when Bill 108 was passed and neighbors were given the opportunity to object. The annual reapplication process continues to keep this a non-issue. I believe it is shortsighted and hurtful to the community to continue with the restriction and further regulation of STVRS. I believe some regulation is necessary but completely phasing out rentals that have been in business, and supported so many community members, for years and years should not be punished because of a zoning technicality. Please think of everyone this could effect as it could be a detrimental decision for our community and community members.

LATE

HB-76

Submitted on: 2/3/2021 9:49:43 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Farwig	Individual	Oppose	No

Comments:

Aloha,

My name is Steve Farwig and I own an STRH home on Maui, in Kihei (STKM 2013/0004). I oppose the possible phasing out of STRH permits on Maui. I have been a firefighter for the County of Maui for the last 19 years. We lived in our home for 14 years with both our children being born and raised there. When our oldest child was in the fifth grade we needed to decide where to send him to middle school. This was after the Furlough Fridays took place when the Department of Education cut 17 days out of the school year for budget concerns. My wife and I at the time were considering moving away from Maui to a place where the cost of living was cheaper and the education system would be better for our kids. On my pay from the fire department I could not afford to send our kids to private school. This was when we found out about the Short term rental home permits and we decided to try to get one for our home and see if renting our home out could help us financially stay on Maui and send our kids to better schools. Getting the permit took a lot of time and difficulty. But we were able to get it after several months of work. We then renovated our house and rented a home near by and started our experiment in a home based business. It worked! our guests were very happy we were able to afford good schooling for our kids and still pay our rent in another home and have some savings left over. This was a God send for our family and for our kids futures. One of the original objectives of the STRH permit was to help local people benefit in Maui's tourism economy and that is just what it has done for us. We have been able to pay for various trades people to fix items such as plumbing, electrical, solar, roofing, cleaning, landscaping, and pool maintenance. If I lived in the home I would have to do most of this myself hence there is a lot of dollars going back into Maui's economy from this home. We could do all this with one property and still manage to pay our mortgage, and all expenses of running the business as well as pay a property tax rate at least five times higher than what we used to pay when we lived in the home. I feel that if you take these existing permits away you are throwing out a lot of hard work and productivity by this Maui family. Why? Do you really think that 229 STRH permits holders are inflating real estate values or taking inventory away from existing housing? From my understanding there are more than 8000 second homes on Maui

that are left empty most of the year by mainland owners. For STRH homes there is now a five year rule to own the house, this eliminates buying homes just to rent out so how can this inflate real estate values now? We live five minutes from our home and are always close by if there are any questions or concerns. We have never had a complaint from our neighbors and we have a vested interest in making sure we have happy neighbors. When we were granted this STRH permit we believed that we would be able to renew it. In my opinion that is a fair and reasonable expectation based on the amount of work it was to get the permit and follow its rules faithfully. If I cannot renew this permit this year, I will have to cut back on costs to pay for the schooling of our kids and may not be able to afford their future college educations either. This is very stressful to consider. We have worked very hard to create a sustainable small home based business that benefits Maui's local economy and gives us a chance on Maui. Please reconsider not taking away the STRH permits for this Maui family.

Thank you for your consideration,

Steve Farwig

Firefighter 1 Station 14

LATE

HB-76

Submitted on: 2/3/2021 10:18:43 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joshua McKim	Individual	Oppose	No

Comments:

I strongly oppose HB76. We are a family of 6 who reside full time on Maui. Our primary income is from owning and operating short term rentals. We pay both General Excise Tax and Transient Accommodations Tax on all rental income. We also provide consistent work for 4 different cleaners as well as a handyman and other trades. We ask that you vote no on HB76. Mahalo!

LATE

HB-76

Submitted on: 2/3/2021 10:54:42 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
dan malone	Individual	Oppose	No

Comments:

I am a Hawaii resident and I recently purchased a short term vacation rental property – a condo on the big island in Kona. This condo is to help to support me in my retirement and the downpayment for the mortgage came from funds I had saved for this purchase over many years of working before retirement. I am living currently live off of my pension and my Social security as a retired educator. If this bill passes and the county of hawaii decides or has the ability to phase out STVRs no matter if the condo complex I purchased in has been a STVR since it was built it will be devestrating to me. I just purchsed the condo in Jan 2020 and it was working a it was suppose to in terms of revenue till the pandemic. I have been barely making the expenses due to the pandemic and it is just now starting to have renters again. But if the STVR is just taken away without justification of any wrong doing on the part of the owner this could cause major financial burdens to my livilihood again. I have already run through much of my savings to cover expenses duiring the pandemic and now if my license were to be arbitartely removed I could loose the condo through foreclouse and thus all of my investment.

This bill lumps responsbile STVR with non-conforming propertiees. Rresponsible short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation.

Short-term rentals are an integral part of the Hawaii tourism economy. As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue. Normally, I not only pay taxes and purchase supplies for the condo locally but also pay a housekeeper to clean the condo after each rental. My housekeeper also pays taxes on that income. In addition, I contract out to plumbers, and handymen, etc. All of these people would lose this revenue and the ability to pay their own taxes on their income to the state of Hawaii

I hope that the house committee makes changes to this bill or removes it from the docket in its entirety.

LATE

HB-76

Submitted on: 2/3/2021 10:54:49 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Oswald	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Mahalo for the opportunity to offer my testimony regarding HB 76.

I oppose this bill.

The Legislature seems to believe that killing the vacation rental industry will redirect those visitors to Hawaii's large resorts. This is a false premise that will cost the State its livelihood. Our vacation rental Guests will not substitute our closed B&B with a resort or hotel room here in Hawaii. They'll book in some other state that offers the accomodation they seek: a vacation rental. 100% loss of visitor funds - and the standard 7X economic multiplier - for the State of Hawaii.

Save the vacation rentals! The timing of HB76 is especially ironic in light of the past year's COVID-19 inspired government crackdown on all small business. Or perhaps we're just the current Target of Opportunity.

HB 76 is the exact opposite of what is needed to promote the fiscal recovery of our State. Vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while we were mandated Closed by the governor. HB76 would be particularly devastating to our local economy.

If denied the ability to legally offer our home for short-term rental, we would not choose to offer it as a long-term rental because we use the rental units for part of the year for our own use. It would therefore not be available for long term rentals or housing. We have zero interest in becoming landlords; we choose to be Hosts instead. Anyway, vacation rentals are not the solution to the current housing crisis because there are not enough units to make a difference.

Why punish the ones who have been "playing by the rules" all along? The operators of legal vacation rental homes are good citizens acting responsibly. We have done our (considerable) due diligence to operate responsibly and within the law. Our good and lawful behavior must not be punished by the State government killing our industry.

Vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island than hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever.

We are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

Robert Oswald

Tranquil Palms B&B

Haiku, Maui

LATE

HB-76

Submitted on: 2/3/2021 10:58:13 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
holly vierra	Individual	Oppose	No

Comments:

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LATE

HB-76

Submitted on: 2/3/2021 11:10:37 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Douglas Mitchell	Individual	Oppose	No

Comments:

I have just heard about HB 76. I own two condos in a legal short term rental area. I have owned one since 1992 and one since 2004. I have complied with all of the regulations and have paid GE and TA taxes regularly as well as property tax at short term rental rates. It seems that this bill is an attempt to shutter short term rentals.

I am opposed to this legislation. First of all, I depend on the income as a major part of my livelihood. Secondly, the taxes I pay are a significant income for the county and state, and passage of this bill would significantly harm the welfare of the people of Hawaii.

LATE

HB-76

Submitted on: 2/3/2021 11:10:51 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathy Malone	Individual	Oppose	No

Comments:

I recently purchased a short term vacation rental property with my husband in January 2020 – a condo on the big island in Kona. This condo is to help to support us in my retirement and the downpayment for the mortgage came from funds we had saved for this purchase over many years of working. If this bill passes and the county of hawaii decides or has the ability to phase out STVRs no matter if our condo complex has been a STVR since it was built in the 1970's it could be devestrating to our financial security. We have a very large mortgage as well as putting down a very large down payment. However, we did much research and prior to the pandemic the rentals of the condo were able to generate income while covering the expenses such as supplies from local buisnesses such as Costco and Walmart, cleaning fees to a housekeeper, property manager fees when off island and reparimen fees. After the pandemic and the shutdown we have put more and more of our savings into the condo. It is just now finally coming back and we look forward to the future. But if the STVR is just taken away without justification of any wrong doing on the part of us the owners this could cause major financial burdens. We have already run through much of our savings to cover expenses duiring the pandemic and now if our license were to be arbitartely removed we could even loose the condo through foreclouse and thus all of my investment. Or have to sale below market value to recoup some of our funds. This would of course drive down the valuation of the real eatate in our area and thus deprive the state of needed real estate tax revenue not to mention excise tax revenue and TA revenue.

Short-term rentals are an integral part of the Hawaii tourism economy. As we look toward tourism recovery, short-term rentals will play an integral role in safely welcoming traveling families back to Hawaii while providing vital tax revenue. Normally, we not only pay GE/TA taxes but also purchase supplies for the condo locally, pay a housekeeper to clean the condo after each rental., contract out to plumbers and handymen, as well as other professionals such a lock smiths and carpet cleaners. My housekeeper and all these other people also pay taxes on that income. In addition, all of these people would lose this revenue and the amount all pay in income taxes would decline thus leaving the state of Hawaii with still fewer needed dollars to recover from the hardships of the pandemic.

This bill lumps responsible STVR with non-conforming properties. Responsible short-term rentals should not be lumped in with non-conforming short-term rentals. Properties that have permits and pay taxes should be protected and allowed to continue responsible operation. We are not advocating letting STVRs that are trying to operate outside of the law to continue but conforming properties should be allowed to maintain their rentals and to continue to operate in order to support the livelihood of the local community and to help support the state programs.

I hope that the house committee makes changes to this bill or removes it from the docket in its entirety until a future better worded version can be resubmitted in a future session.

LATE

HB-76

Submitted on: 2/3/2021 11:23:07 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott White	Individual	Oppose	No

Comments:

I am a retired small businessperson. I own and rent out a vacation condo on the Big Island. My condo is located in a resort area in a condo-tel complex. It is an approved Short-Term Vacation Rental (STVR) and registered with the state of Hawaii. I file and pay General Excise (GE) and Transient Accommodation (TA) taxes on a regular basis.

I purchased this property several years ago to supplement my retirement income. If, for some reason, I was no longer allowed to accommodate short term guests, it would be financially devastating to me as this complex is not suited to long-term rentals.

As I am not able to service my guests directly, I contract with a local vacation rental management company who employs reservations, customer service, maintenance, housekeeping and other staff, all of whom contribute to the local economy.

My guests are mostly families that would not be comfortable in hotels with their high prices, limited space for families and limited meal options. My guests shop at the local grocery stores, shops, farmers markets and patronize restaurants. They also spend time touring the island and spend money at local attractions.

Recovering as we are from economic impact of the COVID-19 pandemic, this would be the worst time to put a damper on a valuable part of the tourism industry. It would be impossible for responsible owners like myself to plan for the future when we would be subject to the ever-changing political whims of our county politicians. As such, HB 76 is a bad idea. The last thing Hawaii needs right now is more restriction on small businesses.

Thank you for allowing me to share my position.

LATE

HB-76

Submitted on: 2/3/2021 11:27:18 PM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Trotto	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose the passage of this bill.

Permitted vacation rentals on Maui are the number one source of revenue for Maui County. This bill will be devastating to the economy of Maui County.

Permitted short-term rentals on Maui operate responsibly and abide with all the requirements of the law.

These permitted vacation rental businesses generate billions of dollars to the economy of the State of Hawaii.

The State of Hawaii relies on tourism, and these permitted short-term rentals are needed now more than ever. They provide a vital source of income for the State and Maui County.

Permitted vacation rentals also contribute to the Maui Affordable Housing Fund.

For these reasons I respectfully ask that you vote no on HB76.

Thank you for your consideration on this important piece of legislation.

LATE

HB-76

Submitted on: 2/3/2021 11:40:15 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Phillips	Individual	Comments	No

Comments:

This testimony is submitted in opposition to the pending legislation, HB76, which would give counties the power to phase out short-term rentals which are “permitted, nonconforming, or otherwise allowed”.

This measure is too extreme, vague and overbroad. It would give counties the power to eliminate all legal vacation rentals, including resort condos, apartments, beach homes and ohanas.

It would be detrimental to the State, to residents, and to visitors, as explained below.

1. **DETRIMENTAL TO THE STATE OF HAWAII.** Short-term rental accommodations generate significant amounts of revenue for the State through the 10.25% Transient Accommodation Tax. The State economy has a substantial financial deficit, and now is the time to be making efforts to replenish some of the lost revenues.
2. **DETRIMENTAL AND DISCRIMINATORY TO VISITORS.** HB76 would be discriminatory against visitors of modest means and minorities. Why? Because if short-term rentals are banned, hotels and luxury resorts would have a monopoly on providing accommodation for visitors. With a monopoly position, hotels would have the power to raise prices beyond the reach of families and any visitors except the very rich. Do you want Hawaii to become an elitist destination solely for wealthy jetsetters? Think of the devastating impact on ordinary people who live here.
3. **DETRIMENTAL AND DISCRIMINATORY TO RESIDENTS.** There are many individuals and small businesses in the State (including myself) who own and manage vacation rental property and depend on the income for their livelihood. Additionally Hawaii residents who own or are employed or sell their products in local stores, restaurants, food trucks, botanical gardens, farmers’ markets would risk losing their livelihood because these are businesses that visitors of modest means patronize when they visit our State.

In the Covid and post-Covid era, visitors are seeking accommodation which is self-contained, where they don’t have to congregate in elevators and hallways, where they can cook their own food, and generally practice social distancing which is not possible

in hotels. For public health reasons, the State should not give counties the power to terminate safe, legal, self-contained vacation rental accommodations.

I am aware that some Hawaii residents have enjoyed the absence of visitors during the pandemic and a few are openly hostile to tourists. But there is no question that the State needs tourists to return, and soon. It's not rational or wise to rely on federal assistance, and it's not humanly possible to switch overnight from tourism to agriculture and high-tech, as some have suggested. Yes, tourism can be managed better, but potentially eliminating a whole sector of the visitor industry (privately owned and managed vacation rentals) is extremely ill-advised.

I urge you to vote against pursuing HB76.

LATE

HB-76

Submitted on: 2/3/2021 11:40:57 PM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Linda C. Mitchell	Individual	Oppose	No

Comments:

I am opposed to HB 76. Obviously, 2020 has been a disastrous year for vacation rentals. So far, 2021 is not much of an improvement. Tourism has gone out of popularity with the Governor, Mayor and a few others. However, the general people of Hawaii deserve to be able to make a living. Can it get any harder? Please do not contribute to the further destruction of legal businesses by passing HB 76.

I have seen mention again and again by legislators or people running for office that they favor raising TAT and property taxes on vacation rentals. In fact, while the vacation rentals were illegal to rent during the pandemic the Maui Council voted to raise vacation rental taxes to a tier even higher than hotels. The Hawaii State Budget is in disarray. Please do not consider voting for HB76. It doesn't make sense to take another strike at legal businesses by giving the counties the right to change things that have been in place for years.

I have a legal license to have vacation rentals and have contributed to Maui's economy in many ways. I would love to have our industry be recognized as a valuable one that should not be decimated any further.

LATE

HB-76

Submitted on: 2/4/2021 12:02:35 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janell Y Y Beattie	Individual	Oppose	No

Comments:

Oppose HB 76

LATE

HB-76

Submitted on: 2/4/2021 12:27:54 AM

Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
William Raboff	Individual	Oppose	No

Comments:

Aloha Housing Committee,

Thank you for the opportunity to speak on HB 76.

I oppose support this bill.

I do not think that this bill is necessary or useful at this time. The vacation rentals on Maui are the number one source of revenue for Maui County. That was \$114 Million for FY2020, even while being mandated closed by the state. This bill could be particularly devastating to our local economy.

Most of these vacation rentals owners also utilize their property for part of the year so they would not be available for long term rentals or housing.

These Short-term rentals on Maui have done their due diligence to operate responsibly and within the law. The state and counties should uphold their side of this commitment.

These vacation rentals support the state with their TAT taxes. In 2019 Maui county also generated \$207,773,430 in TAT revenue for the state, about 33% of the overall Transient Accommodations Tax collected in that year. Maui has more legal vacation rentals (11768) on the island then hotel rooms (7372) according to Real Property Tax data. Why would the state legislature create a bill that would take so much from our local small businesses?

The vacation rental guests as a whole spent an estimated \$4.4 billion dollars in 2019, and that represented nearly a quarter of all visitor spending in the state.

Hawaii relies on tourism, and tourism needs short-term rentals now more than ever. They are the only true social distancing lodging option that travelers need, and they provide an important source of income for Hawaii citizens. By limiting contact with local and tourist population in comparison with hotel lodging, they add additional layer of Covid-19 transmission control and safety for citizens of Maui.

These short term rentals support a host of adjacent small businesses from restaurants to shops to maintenance and landscaping. This money stays on our islands where it is circulated to local businesses within our communities.

Vacation rentals are also the single biggest contributor to the Maui Affordable Housing Fund for the county. They have generated \$5.89 million for the fund since 2018.

For these reasons we urge you to vote no on HB76.

Thank you for your consideration.

William Raboff, Haiku, Maui

If you have any questions just click [here to email me](#), or call 808-280-3286.

LATE

HB-76

Submitted on: 2/4/2021 1:57:21 AM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Holl	Individual	Oppose	No

Comments:

I only first heard of HB76 this evening after getting home from my 12-hour workday, but the hearing is tomorrow (actually, later this morning). There are probably many others who were not aware or informed of it and have not been able to provide testimony. I am sitting up past midnight to provide testimony because HB76 could devastate me financially. I would like to give testimony on Zoom as well, but it is now 2am and I don't even know how to set it up yet, not to mention there is probably more lead time needed on your side as well.

I oppose HB76 because it will potentially undermine and possibly destroy my financial survival. I depend on my rental income to meet my most basic living expenses and I don't foresee being able to retire without it. I am trying to create some independence for my old age when I will no longer be able to tolerate the physical work, stresses and strains of nursing, but I anticipate ending up on public assistance if my livelihood and everything I have invested in my rental gets shut down. It has been hard enough surviving COVID, so the timing of this bill is like being kicked when I am down. Why are you doing this while we are still in the pandemic and will likely suffer the financial fallout for another year at least??

In 2019, I was called by a health care recruiter regarding a nursing job in Hilo. The job pays less than half what I earned in California, but I accepted it knowing that I would be able to rent out space in my home to help meet my expenses. Without this extra income, I cannot meet all my basic expenses. I have student loans on top of my mortgage and living expenses. I am a single person with one income, and that income does not even cover my most basic living expenses. This has been the trend in the US over the past twenty years where most wages have not kept up with cost of living.

There is a misconception that short-term rentals are all vacation rentals by definition and thereby crowd locals out of potential housing, however most of the renters sharing my home have been travel nurses or physical therapists coming to Hawaii from the mainland or other islands to help us for three months at a time, families from Kona or other islands coming to see family in Hilo whose houses are not large enough to accommodate the whole family, essential workers including a couple of cell phone tower workers who come here for 2-3 day periods from Ka'u to do cell tower repairs, and a daughter who lives and works in Kona who comes here with her brother to see her aging parents who live in Puna but don't have room for guests. Most of my renters have

been locals or essential workers who need affordable accommodations where they can cook. Hotels don't offer that and end up being prohibitively expensive for a lot of people. My guests spend money at restaurants, grocery stores, rental car agencies, etc. On top of providing essential nursing services, my rental work provides housing to families and essential workers who need affordable short stays.

When I came to Hilo for my new job, I wanted to rent a simple room by the month until I found a house to buy, but I discovered that most monthly rentals required a six month lease. I could not afford to take on a six month lease when I would buy a house in two months. This would have had me paying four months of rent on top of my new mortgage at a time when I was already stretched thin by putting my life savings into the down payment. I did not have the rental going yet, so I did not even have that extra income at the time. I got by on credit cards which I have worked excessively to pay down over the past year. If I did not have the option of a short-term rental when I first arrived here, I might well have turned around right then and gone back to California. I am glad it has worked out so far, and I know my patients and their families are glad to have my help.

This is my first time owning a house. I put my life savings into the down payment so if my rental income is cut off, I risk losing my entire life savings because I risk not being able to pay the mortgage. I spent \$5000 in moving costs to come here, and \$63,000 on down payment and home repairs and improvements. I have engaged many local businesses including a housekeeper for the rental whom I would not hire for myself personally, a plumber, a water catchment service, a roofer, tree trimmers, wood chippers, etc. The income for these services that has gone into the local community has come from the rental income. I would not have hired as many of these services if it weren't for the rental.

The nursing service I provide has a long waiting list of patients needing services. This service did not even really exist on Hawaii Island just five years ago. My role is to provide direct nursing care but also to assist patients in staying home and avoiding preventable hospitalizations that cost the taxpayers millions every year. I estimate my work alone saves the health care system in Hawaii \$100,000 PER MONTH in preventable hospitalizations, and that is a conservative estimate. My patients and their families express constant gratitude to me for my work in helping them. They know and see that their elders are doing much better and getting hospitalized less often with my care, support, and guidance in understanding how to better manage their health conditions. I make myself available to them by phone even when I am off duty because I want them to always have that support. If I lose my rental, I would likely have to sell out and leave Hawaii. With as hard and as much as I work and bring to this community, I would not understand why the legislature would want to precipitate that by making life harder. I have seen five nurses come and go in the past year because with a single income, it was clear to them that they could not sustain themselves here. I worked as a travel nurse for several years and I belong to several online nursing groups. The consensus among most travel nurses is that a three month stint in Hawaii can be nice, but they don't favor or encourage others into long-term work-stays here because the pay is too low relative to the cost of living.

You might think I could just rent my extra space to a long-term permanent renter. I actually would not do that because I live so far from my family. If I did not have a space for them to stay, I would not see them as often. I want to be able to save my space for my family to come stay with me, which I cannot do if it is always occupied by renters. It has been very isolating to live so far from my family and on top of that I have been isolating myself from everyone to protect my patients from COVID. I am single and I live alone, so the past ten months have been very difficult. This is a horrible time to now be facing a total disruption of what I have worked so hard for since I started saving and sacrificing many years ago. I have just recently found a little bit of balance and stability in my new life here and now I face what looks like a bigger risk to me than COVID.

With more time, I am confident I could gather more testimony from my employer who has made use of my rental to house travelling clinicians, from those families and essential workers I have hosted, and from other rental hosts who rely on the second income to survive financially.

I have more to say, but I have been running since 8am and it is now 2am, but that is just another typical day for me in my 7-day a week work schedule.

Please take into consideration that there are many people in my situation reliant on a second income to make ends meet.

Sincerely,

John Holl RN

LATE

HB-76

Submitted on: 2/4/2021 8:28:29 AM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Edward & Barbara Vallejos	Individual	Oppose	No

Comments:

We oppose HB76. We have a short term non-conforming rental on our property. This 500 square foot unit has been "grandfathered" in to be used as a short term rental for the past 10+ years. We have followed ALL the rules that the county has issued pertaining to short term rentals & have paid ALL general excise & transient accommodation taxes faithfully every year.

Our decision to retire was based on the income that would be generated from this rental to pay for our monthly cost of living expenses. Your approval of HB76 would be devastating to lifetime residents, like us, and to a lot of other local residents who own non-conforming vacation rentals and are just trying to make ends meet.

Thank you

LATE

HB-76

Submitted on: 2/4/2021 8:36:03 AM
Testimony for HSG on 2/4/2021 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Martie Law	Individual	Oppose	No

Comments:

To whom it may concern,

I have clients and friends who have faithfully followed the rules of their TVNCU on Kauai, spent alot of time and money going through the red tape to be grandfathered in many years ago, and have depended on this income as part of their retirement. It would be a hardship on them to phase out their ability to rent their cottage.

If the State and/or County says a Use will be Grandfather In, it should be honored.