

Honolulu, Hawaii

APR 05 2024

RE: H.B. No. 1838
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred H.B. No. 1838, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ZONING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the zoning powers of counties; and
- (2) Expand the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Office of the Mayor of the County of Maui, one member of the Maui County Council, one member of the Kaua'i County Council, Puakukui Owners Residents Neighborhood Organization, Kohala Coast Resort Association, Sierra Club of Hawai'i, UNITE HERE Local 5, Help Maui Rise, Tagnawa, Hawai'i Lodging and Tourism Association, Jewish Voice for Peace Hawai'i, Maui Housing Hui, Hawai'i Alliance for Progressive Action, ILWU Local 142, Lāhainā Strong, Green Party of Hawai'i, and more than two hundred individuals.



Your Committees received testimony in opposition to this measure from the O'ahu Short-Term Rental Alliance; Maui Paradise Properties; Hawaii First Realty LLC; Hawaii Legal Short Term Rental Alliance; REALTORS Association of Maui, Inc.; Hawai'i Association of REALTORS; Hawai'i Mid and Short-Term Rental Alliance; Kaua'i Board of REALTORS; Maui Chamber of Commerce; Maui Vacation Rental Association; Tiki Moon Villas; Rental By Owner Awareness Association; West Hawaii Association of REALTORS; Aloha Vacation Rentals; Serendipity Associates; Honolulu Board of REALTORS; ZEN, Inc.; Kama'aina Occupied Short-Term Rentals O'ahu; Molokai Vacation Properties; and more than five hundred fifteen individuals.

Your Committees received comments on this measure from the Department of Taxation, Maui Hotel and Lodging Association, Grassroot Institute of Hawaii, Airbnb, Tax Foundation of Hawaii, and four individuals.


Your Committees find that there is an acute shortage of long-term housing options for residents, which is exacerbated when existing inventory is reserved for visitor use only. Your Committees believe that while the counties are working to address housing demand, they should also be empowered to gradually phase out the use of short-term rentals over time. This measure will increase the availability of long-term housing options by encouraging housing to be used for the purpose of providing long-term homes for the State's residents.

Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1838, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1838, H.D. 2, S.D. 2.



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


DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair

