

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
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**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:
S.B. No. 2919, S.D. 2, H.D. 1, Relating to Property

BEFORE THE:
House Committee on Finance.

DATE: Tuesday, April 02, 2024
TIME: 4:00 p.m.
LOCATION: State Capitol, Room 308

Chair Yamashita; Vice-Chair Kitagawa, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding S.B. 2919, S.D. 2, H.D. 1, for your consideration.

Section 3 of the bill expands the definition of "transient accommodations" in section 237D-1, Hawaii Revised Statutes (HRS), to include the furnishing of a "shelter" or "vehicle" for each letting, in "vehicles with, or advertised as including, sleeping accommodations."

The bill has a defective effective date of July 1, 2040, provided that section 3 shall take effect on January 1, 2025.

The Department notes that it can administer the tax law change in section 3 of this bill by the January 1, 2025, effective date.

Thank you for the opportunity to provide comments on this measure.

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
Traci N. T. Fujita, Esq.

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 1, 2024

TO: Committee on Finance
Chair Kyle T. Yamashita; Vice Chair Lisa Kitagawa

FROM: Councilmember Keani Rawlins-Fernandez 

SUBJECT: STRONG SUPPORT OF SB2919 SD2, HD1, RELATING TO PROPERTY

Aloha e Chair Yamashita, Vice Chair Kitagawa, and honorable committee members,

Mahalo for this opportunity to testify in *strong support* of SB2919 SD2, HD1, which would expand the zoning powers of counties and the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations.

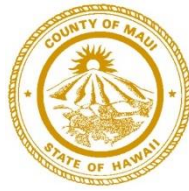
As noted by previous committees, this measure would not automatically phase out TVRs. This measure would simply provide counties the authority necessary to craft zoning laws that address the unique needs of our respective counties, as has always been the intent of HRS §46-4. Please allow each county the ability to balance their communities' interest for affordable housing and TVR revenue generated to benefit the industry, government, and overall economy.

It's undeniable that this measure has been long overdue, and it's heartbreaking that it took our beloved town of Lahaina burning down - leaving so many without stable shelter - to finally get this common-sense legislation this far. Mahalo to each of you for rising to the occasion.

Please pass SB2919 SD2, HD1 today. Mahalo!

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

TO: Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
House Committee on Finance

FROM: Richard T. Bissen, Jr., Mayor

DATE: April 2, 2024, 4:00pm

SUBJECT: **SUPPORT OF SB 2919 SD2 HD1 - RELATING TO PROPERTY**

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee,

As the Mayor of Maui County, I am writing to express my **strong support for SB 2919 SD2 HD1**, which aims to empower counties to regulate short-term rentals effectively. Short-term rentals have become a significant issue in our communities, impacting housing availability and character of our neighborhoods. Granting counties the authority to regulate these rentals aligns with our commitment to responsible land use planning and the preservation of our unique island heritage.

This bill recognizes the importance of local governance by clarifying counties' authority to regulate the time, place, manner, and duration in which uses of land and structures may take place. This provision acknowledges that counties are best positioned to understand the unique dynamics of their respective regions and can enact regulations that are responsive to local needs. Additionally, by expanding the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations, SB 2919 SD2 HD1 ensures that counties have the necessary tools to address the challenges posed by short-term rentals.

Furthermore, SB 2919 SD2 HD1 provides counties *with the authority to amortize or phase out transient vacation rental units in any zoning classification*. This provision allows us to tailor solutions to address the specific impacts of short-term rentals on our communities while promoting sustainable tourism practices. By supporting SB 2919 SD2 HD1, we can foster a more equitable and resilient tourism industry that benefits both residents and visitors alike.

In conclusion, I urge you to support this bill, which represents a crucial step towards empowering counties to regulate short-term rentals effectively. By providing counties with the authority to address this issue, we can safeguard the well-being of our communities, preserve our island environments, and promote sustainable tourism for generations to come.

Mahalo for considering the importance of SB 2919 SD2 HD1 to the residents of Maui County and the state of Hawai'i.

Sincerely,

Richard T. Bissen Jr.
Mayor, County of Maui

Keep It Kailua

Preserving Kailua's Character

March 30, 2024

To:

[COMMITTEE ON FINANCE](#)

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

Rep. Micah P.K. Aiu

Rep. Rachele F. Lamosao

Rep. Cory M. Chun

Rep. Dee Morikawa

Rep. Elle Cochran

Rep. Scott Y. Nishimoto

Rep. Andrew Takuya Garrett

Rep. Mahina Poepoe

Rep. Kirstin Kahaloa

Rep. Jenna Takenouchi

Rep. Darius K. Kila

Rep. David Alcos III

Rep. Bertrand Kobayashi

Rep. Gene Ward

SUPPORT SB 2919, SD2, HD1 RELATING TO COUNTY ZONING

We strongly support **SB 2919, SD2, HD1** and ask your committees to approve the measure.

Allowing the counties the authority to enact ordinances to amortize or phase out permitted, nonconforming, or otherwise allowed short-term rentals in any zoning classification is fair and reasonable. It supports the “home-rule” doctrine of allowing the counties to determine community development.

Hawaii State Statute §46-4 already allows these short-term rental businesses to be phased-out in commercial, industrial, resort, and apartment zoned areas over a reasonable period of time. We firmly

believe residential zoned neighborhoods should be included in order for the counties to properly manage and develop their local communities. In addition, our legal team adamantly believes this law is constitutional, otherwise the long established Hawaii State Statute §46-4 would've been appealed.

As quoted in Civilbeat.com, David Callies, a retired law professor and author of "Regulating Paradise," a treatise on Hawaii land-use law stated; "Governments generally have the right to phase out land uses through zoning changes – called amortization in legal parlance – and that five years is typically a reasonable time frame for doing so. "It's pretty settled doctrine that you can amortize a non-conforming use." Callies also said prohibiting short-term rentals wouldn't be considered a taking of private property, in violation of constitutional rights, because the properties still could be used for housing by the owners or rented out long term.

Thank you for your consideration.

Keep it Kailua

Keep It Kailua is a grassroots community group founded in 2004 whose purpose is to retain Kailua's family-oriented residential character and quality of life.

Keep It Kailua's goals are to:

- *Protect residential zoning and promote permanent residency in our neighborhoods*
- *Preserve and enhance scenic, civic, recreational and cultural features that define Kailua's sense of place*
- *Protect water resources essential to the health of the environment*
- *Preserve trees and maintain open green space*
- *Promote walking and the use of non-motorized bicycles as alternatives to automobile transportation within and around the town*
- *Promote businesses that serve the residential community*
- *Support other community groups with similar goals*

Please visit us at www.keepitkailua.com

Or like us on <https://www.facebook.com/keepitkailua/>



March 30, 2024

Unit G106
Papakea Resort
3543 Lower Honoapiiliani Road
Lahaina, HI

Dear Representative Yamashita, Chair; Representative Kitagawa, Vice Chair; and Members of the Committee:

I **OPPOSE** SB 2919 for the following reasons:

I have been an owner at Papakea since 2010 and when not staying in my property, we rent it out as a short-term rental so other people can enjoy the beauty and hospitality of Hawaii. It would be disingenuous of me to suggest rentals are done for purely altruistic reasons. Hawaii, by way of its island nature and economy, is a very expensive place. Bringing money into the Hawaiian economy from across the water is essential to economic prosperity for everyone on the island, whether permanent resident, local business or recreation property owner.

During our time of ownership, we have completely renovated our unit, employing local trades people and businesses for the work. We purchased virtually all our materials from local business on Maui. By the nature of short-term rentals, it is incumbent on us to maintain the property in excellent condition, meaning we provide a steady and continuing stream of work and investment into the island economy at a much higher level than the typical homeowner.

Papakea was built as, and remains, a property designed for vacationers. If one was concerned about the affordability of housing on Maui, Papakea could not be considered as having any negative impact. The buildings themselves and the location, would be a very unlikely choice for the average Maui resident to consider as home. The economics simply don't work.

Instead, Papakea represents a steady and reliable source of income and employment for locals. Far beyond the direct employment at the resort, the requirements of this sort of property send a ripple of economic benefit throughout Maui and even on to the other Hawaiian Islands.

It is unfathomable to me that some Hawaiians are advocating to damage or destroy the economic benefits that short-term rentals provide. Hawaiians cannot boast of cheap energy, or resource activity like mining and oil. The islands are not a logical stop on world trade routes. As a result, the leadership of the state needs to stay focused on the resources that are available to the people. As a source of revenue and employment, tourism is the single greatest resource available to Hawaii residents. Within the tourism industry, short-term rentals, as provided by a purpose-built property such as Papakea, is an essential component.

Telephone: 780-970-4581 Email: Reservations@Tropica.ca



Regulation of short-term rentals within neighborhoods designed for local residency is a desirable and realistic objective. Painting this goal with too wide a brush risks severe damage to the well-being of local people.

It would be very short sighted, in my opinion, for the State of Hawaii to restrict or cut off this reliable source of revenue.

Please do not support this bill.

Don Gibson
President
Tropica USA Corp.

Postscript:

Tropica USA Corp. was not created as a profit center. It was organized to allow a small group of people to share ownership of a Maui property precisely because Maui is an expensive place to live. The ability to offer short-term rentals is a critical component to our existence and our ability to bring outside dollars into the Hawaiian economy.



March 30, 2024

Representative Kyle Yamashita, Chair
Representative Lisa Kitigawa, Vice Chair
Committee on Finance
House of Representatives
Hawaii State Legislature

Support for SB2919 SD2 HD1

Dear Chair Yamashita, Vice Chair Kitigawa and Members of the Committee on Finance,

The Kohala Coast Resort Association supports Senate Bill SB2919 SD2 HD1, which provides the counties the opportunity to enact zoning ordinances that phase out non-conforming single family transient vacation rental units, over a reasonable period of time.

We believe this measure supports home rule and provides the counties the authority to weigh the impacts of transient vacation rental units on their respective islands and legislate accordingly.

The County of Hawaii is currently undertaking a review of three bills that will expand the regulation of transient vacation rentals to address owner-hosted, and operator-hosted rentals, in addition to the un-hosted rentals they currently regulate. This legislation would give them additional authority.

According to the platform www.AlltheRooms.com there are more than 19,000 transient vacation rental units on Hawaii Island alone. There are more than 90,000 transient vacation rental units across the state. In comparison, the hotels along the Kohala Coast contain only 2,915 rooms.

When the resorts were developed, key infrastructure was put into place including roads, water, sewer systems, emergency services, environmental management programs. We know it is our kuleana to adequately serve the needs of both visitors and residents. Unfortunately, the same cannot be said for the communities where many transient vacation rental units are located, and as a result, we often hear of the negative impacts on our neighborhoods, our housing availability, escalating cost of living and property values, and our quality of life.

Members of the Kohala Coast Resort Association pay more than \$40 million in TAT and \$40 million in GET each year. The business and residents within the resorts also pay more than one-third of the Island of Hawaii's property taxes – \$150M in fiscal 2023-2024.

On behalf our 5,000 employees and their 20,000 family members, thank you for the opportunity to support SB2919 SD2 HD1.

Sincerely,

A handwritten signature in black ink that reads "Stephanie P. Donoho". The signature is written in a cursive style.

Stephanie Donoho, Administrative Director

SB-2919-HD-1

Submitted on: 3/30/2024 10:49:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kris Adair	The Ohana Aina Association	Oppose	Written Testimony Only

Comments:

Chairman Kyle Yamashita
Vice Chair Lisa Kitagawa
Committee on Finance
Hawaii State Senate
25 Aupuni St.
Honolulu, HI 96813

Aloha Chairman Yamashita, Vice Chair Kitagawa, and Honorable Members,

I am writing on behalf of the 7,000 families here on the Big Island who depend on short term rental income to make ends meet each month. I'd like to express my strong opposition to Senate Bill SB2919. This measure, if passed, will have a significant negative impact on the availability of month-to-month rentals in Hawaii, creating a new type of housing crisis for those who cannot qualify for long-term rentals or need temporary furnished housing.

Mid and short-term rentals play a crucial role in our community. They accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military personnel, students, and our family and friends. These rentals offer a flexible and necessary housing option that supports the unique needs of our diverse population.

Consider the events like the Red Hill Crisis, Marco Polo fires, and the eruption of Kilauea, which displaced thousands of residents. In such emergencies, where will our residents find temporary, furnished housing if our industry is further decimated by the passage of SB2919? It is essential to recognize the importance of preserving these housing options to ensure that our community can respond effectively to unforeseen challenges and support those in need.

I urge you to reconsider the implications of SB2919 and to work towards solutions that protect and expand access to flexible housing options rather than restrict them. Our community's resilience and ability to support one another in times of need depend on it.

Mahalo for your attention to this matter.

Joshua Montgomery
The Ohana Aina Association

PO Box 59
Holualoa, HI 96725
<https://www.oahawaii.org>

SB-2919-HD-1

Submitted on: 3/30/2024 10:53:18 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Kevan	Maui Paradise Properties	Oppose	Written Testimony Only

Comments:

Maui Paradise Properties is a premier LOCAL management company providing support for the STR industry and 83 employees and their families that depend on this industry and jobs. That does not even include the downstream effect (plumbers, handymen, electricians, restaurants, grocery stores, gas stations etc. that depend on our guests spending money.

Over 15 of our companies employees lost everything in the fires, another 10 were displaced as their apartments burned down, we lost two offices, two warehouses and a laundry facility to the fire. We have been able to supply the FEMA housing program with over 100 units in a 3 week period as we are local company. Our owner donated over \$500K to fire victims, over 3000 FREE nights, not the \$1000/night your paying hotels.

A few facts, per the Hawaii Tourism Site (there are others) in 2023 there were approximately 12,300 STR's on Maui, in 2003, 20 years ago, there were 11,700. Only 500 more rentals then 20 years ago off the long term market. These properties have been doing vacation rentals since the 70's/80's, The issue is and always has been no building of new affordable homes for the increase of 30,000 more residents on the island. Stealing from others is WRONG.

As we place these fire victims, the complaints were getting about the units is the same as the information we provide as to why the vast majority of these units are not designed for long term rental: a) Limited parking (1 spot even for 2 and 3 bedroom condos), no storage, no place for kids to play, no pets.... Add to that the average 1b condo has property taxes of \$8K-12K/yr, HOA dues of \$10K-18K/yr, High insurance of \$4000-\$10000/month. HOW ARE THESE LONG TERM RENTALS?

The HTA study from 3 years ago pointed out that 30%-70% of our tourist will not come to Maui and stay in hotels. It noted 46,000 jobs in this industry. We hope the objective is not to kill an industry to get more people to move off island to open up more housing.

We strongly oppose giving the authority to the counties the level of control as it will only be about politics, not what is legal and right.

John Kevan

Maui Paradise Properties

SB-2919-HD-1

Submitted on: 3/30/2024 4:06:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Emery	Hawaii First Realty LLC	Oppose	Written Testimony Only

Comments:

OPPOSE. This will hurt Hawaii and infringes on the rights of owners.



The Senate Committee on Finance

Hearing Scheduled: April 2, 2024 4:00 pm
State Capital, Conference Room 308

Re: SB2919 SD2 HD1, Relating to Zoning

Testimony in Strong Opposition

Aloha Chair, Vice-Chair, and Committee Members,

The O`ahu Short Term Rental Alliance (“OSTRA”) represents many thousands of residents who own, manage and work within the legal mid and short-term rental industry – and we strongly oppose SB2919 SD2 HD1.

Our rentals provide over 13,000 living wage jobs that support property managers, cleaners, contractors and their families. Our short and mid-term rentals provide critical housing to meet the needs of residents and vacationers. Short-term rentals on O`ahu provided \$46 million in taxes and fees toward the state’s budget in 2022 and contributed \$165 million toward the County budget.

We believe you also will oppose SB2919 SD2 HD1 when you understand the immediate implications for housing, local jobs, the economy, and tax revenue for Hawai`i.

This Bill would give the counties authority to enact ordinances to eliminate, or phase out short-term rentals in any zoning classification. **This includes reinstatement of a 90 day minimum for all non-short-term rentals.** Aside from short-term rentals that meet the hotel definition, Oahu has less than 2,500 permitted short-term rentals. This would be the extent of temporary, furnished properties available to residents that are displaced or in transition as well as important visitors like traveling nurses, emergency contractors, temporary military and students. Just the Red Hill crisis alone resulted in 4,000 displaced residents. **Month-to-month rentals would be eliminated completely, creating another housing crisis for those renters that cannot qualify for an annual lease.**

What Hawai`i needs most is clear, consistent, fair rules for business to thrive. Instead, this bill would have each County able to eliminate existing property rights without compensation (so making it legal for Counties to do what would now be considered an illegal taking of private property). The most likely result will be confusion, litigation, and illegal attempts by county officials to eliminate productive, legal, tax and local-job generating businesses.

This bill creates fear for some of our most vulnerable residents and would hit them hardest: on O`ahu, 80% of the short-term rental owners are residents and also *kupuna (seniors)*. 70% of them own 1 unit that provides income to subsidize the ever increasing cost of living in Hawaii.

Our short-term rentals provide furnished, temporary housing to residents as well as visitors. 25% of Oahu's visitors are non-vacationers (per the HTA). 13% of those visitors are friends and family that need affordable accommodations. It is very likely that if you live on another island, you have stayed in a short-term rental on O'ahu.

The following groups stay in our affordable, temporary or transitional housing¹:

Residents

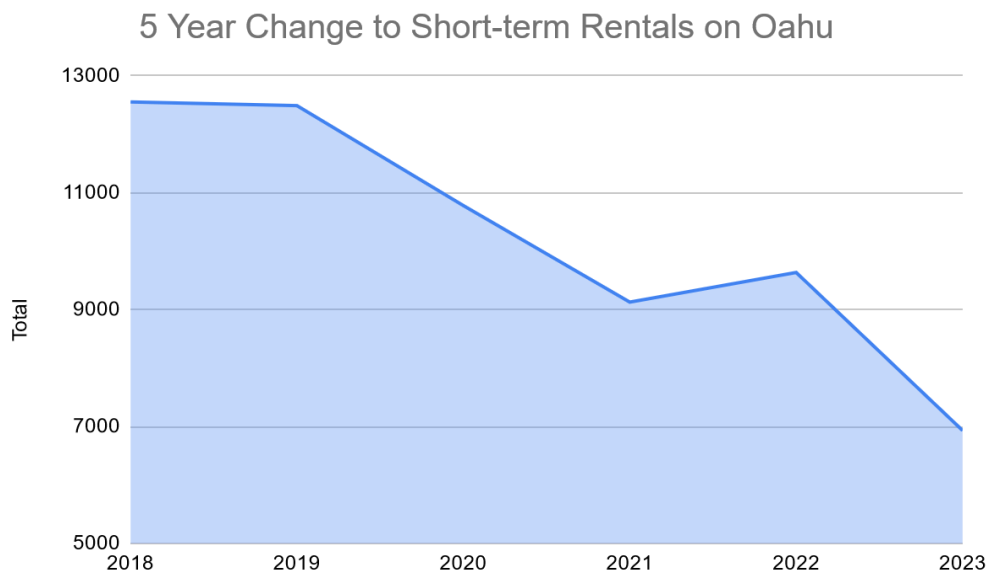
- Inter-island neighbors visiting for work, health procedures or family events
- Residents displaced from emergency events such as the Red Hill Crisis and the Marco Polo fires
- Residents needing temporary housing due to life's transitions
- Newly housed residents that cannot qualify for an annual lease
- Residents needing a vacation or place to gather for events

Non-Residents

- Thousands of Traveling Nurses and other medical personnel
- Temporary military and emergency contractors
- Film and sporting event participants
- Family & friends visiting for various life events

These residents and important visitors cannot afford hotels. They choose short-term rentals for affordability and also the livability versus a hotel room.

The following chart shows the **45% decline** in short-term rentals on O'ahu due to regulations:



SOURCE: AirDNA, July 2023

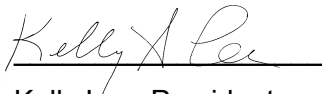
¹ Note, for O'ahu, the short-term rental (less than 30 days) industry is extremely small and increasingly owned by hotels due to recent changes in Honolulu County rules (and recently amended by the Courts due to successful litigation by a group representing owners called HILSTRA). Due to the litigation, there is now a small group of people who can advertise for mid-term rentals. This group may become increasingly important as STRs have almost disappeared on O'ahu but much of our existing data does not necessarily distinguish these new categories.

We support legal rentals and will work to make compliance clear and easy. Unfortunately, it appears that the inability of the Honolulu City and County Planning and Permitting Department to enforce existing regulations before passing new regulations has resulted in continued illegal activity. Additional authority will result in new laws that will punish those operating legally, and proliferate the illegal activity.

Our industry provides living-wage jobs, flexible housing and vacation options, opportunities for residents to own, live, and rent, and keeps spending in the communities.

Please do not pass this Bill that would allow the County to further erode an essential right and component of housing for our residents and important visitors.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kelly Lee", is written over a horizontal line.

Kelly Lee, President
O'ahu Short Term Rental Alliance (OSTRA)

Contact@OSTRA.org



SIERRA CLUB OF HAWAI'I

HOUSE COMMITTEE ON FINANCE

April 2, 2024

4:00 PM

Conference Room 308

In **SUPPORT** of **SB2919 SD2 HD1**: Relating to Property

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

On behalf of our over 20,000 members and supporters, the Sierra Club of Hawai'i **SUPPORTS** SB2919 SD2 HD1, which would help to directly and meaningfully address our islands' housing challenges, by ensuring that residential units are used to house local residents, and not transient visitors.

As most recently demonstrated by the Governor's original Emergency Proclamation on Housing, our housing crisis and the suffering of local families have been repeatedly used to attack legal safeguards protecting our environmental and cultural integrity, food security, water security, local job creation, and other critical interests and needs of both present and future generations. **Tellingly, these attacks often provide little to no assurances that housing projects developed without such safeguards will directly provide meaningful or long-term housing relief to the vast majority of local families; for example, the original Emergency Proclamation had no affordability requirements whatsoever, nor any means to ensure that new units would be reserved for current residents.** Meanwhile, the continual push to scapegoat environmental, cultural, and other public interest protections for our housing crisis has diverted policymakers and housing advocates from pursuing systemic, root-cause solutions that would provide much more meaningful and direct relief to local residents in need of truly affordable housing.

This measure, by contrast, would more directly address the housing needs of local residents, without compromising the environmental and cultural interests and the associated well-being and quality of life of our children and future generations. **By empowering counties to phase out vacation rental uses of their local housing supply, this bill provides a mechanism to open up tens of thousands of existing residential units for long-term residential use.**

While there is no single silver bullet for our multi-faceted housing and homelessness crises, the Sierra Club appreciates that this measure presents a meaningful potential pathway for housing relief for many local families, without compromising the well-being and quality of life of our children and future generations. **The Sierra Club also emphasizes that if implemented by Maui County, this measure may also head off a humanitarian crisis when current**

federally-funded housing programs for displaced Lahaina residents expire – a crisis that would only invite further attacks on our environment, culture, and social fabric.

Accordingly, the Sierra Club respectfully urge the Committee to **PASS** SB2919 SD2 HD1.
Thank you very much for this opportunity to testify.

April 2, 2024

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: Senate Bill 2919, SD2, HD1, Relating to Property

HEARING: Tuesday, April 2, 2024, at 4:00 p.m.

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 11,000 members. HAR **opposes** Senate Bill 2919, SD2, HD1, which allow counties to enact a zoning ordinance to amortize or phase out transient vacation rental units. Expands the scope of the transient accommodations tax law to include certain shelters and, beginning 1/1/2025, vehicles with sleeping accommodations. Effective 7/1/2040.

HAR supports access to housing for every need or situation, which includes legal short-term rentals ("STRs"). It is a common misconception that STRs are only for vacationers; however, STRs are also needed by Hawaii residents and workers as a temporary housing option. These types of rentals are essential for various situations, including but not limited to:


- Families temporarily displaced due to home damage or the need to sell their home,
- Homeowners undergoing significant renovations,
- Neighbor island residents seeking medical care on Oahu,
- Visiting family members, and
- Travelling professionals such as healthcare, construction, and other workers engaged in projects across the islands.

In these situations, a lengthy hotel stay may be too costly or impractical. It is important that we preserve this industry and the ability to access legal short-term rentals for this reason.

Additionally, we have concerns with this proposal granting the counties the power to phase out short-term rentals as it carries the risk of a significant reduction in tax revenue for the State. Legal STRs are legitimate small businesses that pay real property taxes, general excise taxes, and transient accommodations taxes that contribute to both local county and State budgets. Instead of granting counties the power to phase out these legitimate small businesses that contribute to our economy, the focus should be on enforcement against illegal STRs.



 808-733-7060

 1259 A'ala Street, Suite 300
Honolulu, HI 96817

 808-737-4977

Illegal rentals will not be affected by this measure, nor will it assist the counties with enforcement on illegal rentals. Therefore, we do not believe that this measure will have the impact that proponents believe it will and community concerns will continue to persist about illegal rentals. Counties already have the power to conduct enforcement and create reasonable regulations for this industry and we believe efforts should be concentrated in that area.

Finally, this measure could be challenged as impacting vested rights and taking principles. "Under the United States and Hawaii Constitutions, preexisting lawful uses of property are generally considered to be vested rights that zoning ordinances may not abrogate."¹

For the foregoing reasons, the Hawai'i Association of REALTORS® opposes this measure. Mahalo for the opportunity to testify.

¹ *Robert D. Ferris Trust v. Planning Comm'n of the Cnty. of Kaua'i*, 378 P.3d 1023, 138 Haw. 307 (Haw. Ct. App. 2016)



The Honorable Kyle T. Yamashita, Chair
and Committee Members
Committee on Finance

State House of Representatives
State of Hawaii
415 S. Beretania Street, Rm. 308
Honolulu, HI 96813



Dear Chair Yamashita, and Committee Members

RE: SB 2919, SD2, HD1 RELATING TO PROPERTY

On behalf of the members of the Hawaii Mid and Short-Term Rental Alliance (HIMAST), we testify in strong opposition to SB 2919, SD2, HD1 Relating to Property.

HIMAST is a resident led organization comprised of members who are the owners of mid-and short-term rental units, statewide. Our members operate rental units that are licensed and operate legally in their county. The owners have their tax licenses and permits as prescribed by law, and are recognized as legitimate businesses in the counties and communities that they operate in. We are an organization that seeks to find solutions to Hawaii's housing issues, while maintaining and operating legally recognized mid-and short-term rentals.

SB 2919 seeks to amend Sec. 46-4 HRS by allowing the counties the ability to phase out transient accommodation uses in residential or agricultural zoned areas. The definition of what is a transient accommodations unit is very broad. For example, the definition of the term "transient vacation rental unit" also includes "short-term rental home." The term short-term rental is defined to mean a furnished self-contained apartment or home that is rented for short periods of time. A short-term rental home is a residential use that is used for temporary work force housing of construction workers, nurses, and teachers. Short-term rental homes can also apply to units that are used by people who are in hospice or in housing close to medical facilities that need treatment. Short-term rentals may be used by someone that is re-locating for a job or is in transition during renovation of their home. And yes, a short-term home may also be used by kama'aina who travel in-state between islands and those who are out-of-state visitors. The uses mentioned are real-life examples of residential uses, which this Legislature is trying to allow the Counties to ban.

Our members provide services to our communities by providing housing solutions that are necessary for communities to thrive. It is difficult to understand why this Legislature would want to deny or ban services that are needed by our communities, for which the consequence results in higher costs for everyone and less and costlier housing.

We are equally concerned with the loss of tax revenue to the State. Short term rentals pay very high taxes, which many kama'aina pay for short term stays. The loss of that income to the State will be devastating to the State and will negatively affect every resident. High taxes are one the main reasons that people are leaving this State. The ban on short term rentals will add to the short list of reasons of why Hawaii residents leave the State.

We suggest that instead of trying to ban uses that will negatively affect housing and tax collections statewide, this Legislature instead focus on helping the counties with enforcement regulations.

We look forward to working with you on solutions and urge you to strongly oppose HB1838. Thank you for this opportunity to testify.

Kahea Zietz, President HIMAST Alliance



Testimony of **Lāhainā Strong**
Before the House Committees on
Finance

In Consideration of Senate Bill No. 2919 SD2 HD1
**DCCA; Short-Term Rentals; Registration; County Zoning; TAT;
Appropriation; General Fund Expenditure Ceiling Exceeded**

Aloha Chair Yamashita, Vice Chair Kitagawa and Honorable Members of the Committee,

We are writing on behalf of Lāhainā Strong, an organization that was initially formed in 2018 following the Hurricane Lane fire in Lāhainā and reenergized last year after the devastating Lāhainā fires on August 8. Our organization is the largest grassroots, Lāhainā-based community organization, with over 20,000 supporters, engaged in emphasizing the importance of local voices and community-driven solutions.

Lāhainā Strong stands in full support of SB2919 SD2 HD1, allowing counties to enact a zoning ordinance to amortize or phase out transient vacation rental units over a reasonable period of time, as recommended by the House of Representatives shelter working group.

We want to highlight the importance of empowering counties to regulate land use effectively. Emphasizing that allowing counties to set regulations would provide local governments with the flexibility needed to address community-specific concerns. Regulations would help preserve residential neighborhoods, maintain property values, and promote long-term community stability. By giving counties the authority to enact zoning regulations tailored to their unique needs, this bill would empower local decision making and enhance the quality of life for residents.

Furthermore we would like to highlight that this legislation seeks to provide local counties with increased autonomy to address issues according to their specific needs, without affecting current budgets. This allows for a thoughtful phase-out period, ensuring a smooth transition and each county the time and due diligence to assess their budgets accordingly.

Lāhainā Strong has been at the forefront of relief and advocacy efforts, including initiating the "Fishing for Housing" camp, which has been in operation for over 4 months along Kā'anapali Beach, highlighting the need for dignified housing for Lāhainā fire victims. Our organization has been working closely with the affected community to address pressing issues, and we appreciate the legislature's consideration of measures that align with our organization's goals and demands.

In Lāhainā, 25% of housing units were listed as short-term rentals, according to the University of Hawai'i Economic Research Organization. To the south of Lāhainā, that percentage jumps to 41.8%. To the north, it jumps to 87%.

There is a housing emergency on the island of Maui. Giving the counties the clear authority to phase out vacation rental uses has been identified as a key policy tool as recommended by the House of Representatives shelter working group to help Maui residents find dignified housing in the wake of the wildfires.

This is a critical step in providing stability and security to those who have already endured so much. We urge the legislature to pass **SB2919 SD2 HD1** to provide much-needed relief and support to the Lāhainā community and beyond.

Mahalo for your attention and commitment to the well-being of our community.

Sincerely,

Jordan Ruidas, Pa'ele Kiakona & Courtney Lazo

Lahaina Strong

Aloha, Chair Yamashita, Vice Chair Kitagawa House Committee on Finance,

“My personal belief is that we should enact legislation that is a lot like what we did in New York state, which is that you have to be on the premises or in the region therefore you are a local family. We support local families to do short term rentals if they are doing them legally but we don’t support mainland folks making a ton of money while our people are trying to find housing after a fire.”

– Governor Josh Green, MD

[Video link here](#)



Section 1 of the [original version SB2919](#) as introduced did provide for state registration of “mom & pop” kama’āina owner-occupied rentals.



KOSTRO

Kama’āina Occupied Short-Term Rentals O’ahu

Defending short-term rental rights of kama’āina whose rental property is their primary residence.

To satisfy Governor Green’s request we ask for an amendment to [SB2919 SD2 HD1](#). Details are in [WARD AMENDMENT EXHIBIT A](#) below.

Owner-Occupied renting is legal. See Residential Landlord Tenant Code Title 28 HRS § 521:

*HRS § 521-22 Term of rental agreement. The landlord and tenant may agree in writing to **any period** as the term of the rental*

*The United States Federal District Court has already established that rentals are Residential Use. The City of Honolulu failed to establish that owner-occupied renting is commercial. Wherever an owner rents a property that is their primary residence, they do so as a residential use. See **Exhibit A**; HILSTRA v. City and County of Honolulu. “... there is no doubt that these tenants are using the homes for residential purposes.” (See Preliminary Injunction, page 19)*

Honolulu rental time period provisions in Honolulu Ordinance 22-7 were found to be **invalid** by the federal court. The points of the court’s narrative would apply to the time period provision of every ordinance enacted by this county throughout the decades since H.R.S. § 46-4(a) was enacted.

"This is in direct conflict with H.R.S. § 46-4(a)'s bar against elimination of "lawful use[s]" that are in place "at the time . . . [an] ordinance takes effect." Thus, unless the statute's amortization exception applies, this aspect of the Ordinance is conflict-preempted and, therefore, invalid."

Any vote to forward this bill puts into effect the unconstitutional Honolulu Ordinance 22-7 and will have the effect of economically exiling our elderly owner kūpuna from their island homes by taking their livelihoods. Taking away their livelihoods is a cruel use of legislative power and will cause great hardship.

Because our renting is LEGAL, we have the First Amendment right of free speech to advertise the rent. The Honolulu Department of Planning and Permitting refuses to acknowledge this. They demonstrate their disdain for our kūpuna by hunting them down using software they purchased. When they find an advertisement the DPP response is a \$10,000 fine designed to quell lawful use. This could be as minor as a setting on the platform where the fine should be no more than \$200. That is followed up with a lien on their property. Any reasonable person would consider this an excessive fine prohibited by the United States Constitution. Our kūpuna live in fear of their government.

Be completely aware that this is **the real home rule** nightmare for our residents you would be voting for today.

Renting is allowed by current state law and preempts county zoning ordinances.

This is the HD1 language that will bring harm to our kūpuna:

" . . . provided that transient vacation rental units may be amortized or phased out in an area of any zoning classification."

Citizens expect that their government will perform due diligence in advance of legislation introduction. One aspect of due diligence is to determine if there is substantial governmental interest to regulate with a restriction. There are 1000's of locations across the islands where peaceful lawful owner-occupied renting occurs. Yet there has been no justification that owner-occupied renting has a negative impact on the character and fabric of the community.

Counties already have the power to determine WHERE residing (the Residential Use) occurs. This legislation would modify the Zoning Enabling Act. This legislation is NOT zoning legislation. This legislation regulates WHAT we do with our own bedrooms on the property where we also reside.

Some time ago, the Court went into detail on what "residing" is (Page 19):

“Whether a use is residential depends much more on what is being done at a residence than for how long.”

Mahalo for the opportunity to speak about this legislation critical for the survival of thousands of full-time Hawai'i legal residents who just want to continue to make a modest living by renting their own property. We ask that you take action to ensure that this bill does not advance further without our recommended amendments.

for KOSTRO,
With Aloha,

Sue Alden
Margaret Aurand
Tonic Bille
Victoria Johnson
Ed Jones

WARD AMENDMENT EXHIBIT A

The Ward amendment, [HB1838 HD2 HFA2](#) introduced by Representative Gene Ward will protect renting by residents:

industrial, resort, and apartment zoned areas only[-]; provided further that a zoning ordinance may provide for the amortization or phasing out of nonconforming single-family transient vacation rental units that are not owner-occupied over a reasonable period of time in an area of any zoning classification. In no event shall [~~such~~] the amortization or phasing out of nonconforming uses apply to any existing building or premises used for residential (single-family or duplex) or agricultural uses[-] other than nonconforming transient vacation rental units that are not owner-occupied as provided in this subsection.

The Ward Amendment version of the definition for “Owner-occupied” is:

"Owner-occupied" means property which is used as the owner's primary residence and which property, or portion thereof, is operated as a transient vacation rental unit."

[The House of Representatives floor debate on HB1838 HD2 final passage is here.](#)

Our revised wording for the definition of “Owner-Occupied” is the following:

"Owner-occupied" means property which is the owner’s primary residence. The owner of such a property resides in his or her primary residence and rents part of the property for any time period.

“Hosted property” means the rented portion of the primary residence, one other entire single-family dwelling, or the half of a duplex not occupied as the primary residence.”

This variation would address the concerns raised by House Committee on Housing Chair Evslin's concerns:

1. Continue the Enabling Act exception on the kind of structures exempted: single family and duplex.
2. Require that the owner is required to occupy the premises during the rental.
3. There is no new loophole as there is no change in enforcement for owner-occupied rentals. The landlord continues to be governed by the Residential Landlord Tenant Code HRS § 521.

EXHIBIT B

See [HILSTRA v. CITY, ORDER GRANTING PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION Case No. 22-cv-247-DKW-RT before the UNITED STATES DISTRICT COURT, DISTRICT OF HAWAII](#), pages 15 to 20:

“When interpreting words in a statute, “we give words their common meaning.” Iddings, 919 P.2d at 269; see also United States v. Flores, 729 F.3d 910, 914 (9th Cir. 2013) (“[U]nless defined, words in a statute will be interpreted as taking their ordinary, contemporary, common meaning.”) (internal quotation marks and citation omitted).

Here, HRS § 46-4(a) does not define “residential use.”¹⁵ Nor have Hawai'i courts yet interpreted the term in the context of vacation rentals. See Opp. at 15. Thus, the Court has examined the available resources to glean the “common meaning” of the term, including relevant dictionary definitions, other states' interpretations of the term in similar contexts, and other relevant State and City statutes or ordinances.

“Residential” means “used as a residence.” Merriam-Webster.com Dictionary (last visited Oct. 8, 2022). “Residence,” in turn, means “the act or fact of dwelling in a place for some time; the act or fact of living or regularly staying at or in some place for the discharge of a duty or the enjoyment of a benefit.” Id. “Dwell” means “to remain for a time,” and “live” means, inter alia, “to maintain oneself; to occupy a home.” Id.; see also Black's Law Dictionary (5th ed. 1979) (defining “residence” as “[l]iving or dwelling in a certain place permanently or for a considerable length of time”). The noun “use” means “a particular service or end.” Merriam-Webster.com Dictionary (last visited October 8, 2022).

As these definitions show, the term “residential use” depends both upon the function the property serves for its occupant and the duration of time the property is used. The durational component is not precise, including, for instance, “for some time,” “for the discharge of a duty or the enjoyment of a benefit,” “for a time,” and “permanently or for a considerable length of time.”

Likewise, in common usage, the term depends on both function and duration, although the functional component is generally more significant. Indeed, the appellate courts of at least nineteen states have decided that even rental stays of less than 30 days—nightly, weekend, or weeklong stays—constitute residential uses or purposes. These states focused on whether such short-term residents were using the homes for ordinary living activities and benefits—e.g., eating, washing, sleeping, storing their belongings and vehicles, and enjoying the surrounding scenery and community. Some cases illustrated the difference between ordinary living activities and business activities by discussing alternative uses, such as bustling autobody shops, see, e.g., Craig Tracts, 744 P.3d at 228, while others assessed how the short-term nature of the stays would tend to affect the surrounding inhabitants. What the decisions had in common was their reliance on the use to which the home was put—i.e., the functional component. On the

other hand, the Court has not found any case, nor have Defendants cited any, holding that rentals of 30 days or longer were not residential. The Court is aware of five jurisdictions that focused primarily on duration, holding that short-term rentals ranging from one- to seven-nights did not constitute residential uses. But these outliers are, in any event, inapposite because even if the Court were to similarly emphasize duration over function, the time frame at issue here is 30 days or longer.

Undeterred, Defendants contend that 30–89-day rentals are not residential uses because they involve frequent occupant turnover not traditionally associated with family living. Opp. at 15–16. Defendants argue that these rentals are commercial uses akin to resort and hotel complexes because they involve “speculative business risks” or “speculative real property investments.” Opp. at 2, 15, 22–23 (“[S]hort-term rentals are [] business, commercial, and transient/resort type land uses; they are not ‘residential uses’ protected from amortization under HRS § 46-4.”).

The Court disagrees. Whether a use is residential depends much more on what is being done at a residence than for how long. 30–89 day rentals on O‘ahu are used as housing by:

- (1) O‘ahu residents who have sold and bought [homes];*
- (2) off-island families traveling to O‘ahu for medical care;*
- (3) traveling healthcare workers temporarily assigned to O‘ahu;*
- (4) military families in transition;*
- (5) employees performing work on O‘ahu;*
- (6) temporarily displaced families; [and/]or*
- (7) others who prefer to temporarily reside closer to work or schools than the resort districts.*

Plaintiff’s Reply Brief at 7 (“Reply”), Dkt. No. 26 (citing Declaration of Andreea Grigore (“Grigore Decl.”) ¶ 5). Defendants do not dispute that these rentals are being used for ordinary living activities by the occupants. Although the occupants of monthly rentals may shift more frequently than some neighbors and perhaps Defendants would like, there is no doubt that these tenants are using the homes for residential purposes. Moreover, the use does not depend on why the property is owned. By Defendants’ logic, any home rental of any length is a commercial use if the property is owned for “speculative” financial or investment purposes.

Defendants make two additional contentions that should be addressed: first, that it is “absurd” to “interpret[] HRS [§] 46-4[(a)] in a manner that prohibits the City from regulating the duration [of] residential property rentals” because such an interpretation “would undermine its ability to address fundamental zoning issues and render the long-range and comprehensive planning require[ment]s in HRS § 46-4[(a)] a nullity.” Opp. at 19. The Court’s interpretation does not render the long-range and comprehensive planning requirement a nullity, nor does it prevent the City from regulating the duration of vacation rentals. It simply places certain restrictions on that regulation—restrictions plainly imposed by the State Legislature. The City may, and indeed must, execute its long-range planning goals, while respecting and accommodating prior lawful uses already in place, as HRS § 46-4(a) requires it to do.”



Dear Chair Yamashita, Vice Chair Kitagawa and Honorable Members of the Finance Committee,

We are writing to you as a collective of Maui County residents and renters who have first hand experience navigating our housing crisis both prior to the August fires and after. We are writing express our strong **support of SB 2919 SD2 HD1**. We serve our responsibility to our community through housing and tenant advocacy, education and research. As short term rentals in Maui County have come to represent 15% of our housing supply, our community based research has shown that our residents strongly believe STRs contribute to the untenable rental market and overall housing crisis. In an April 2023 UHERO blog, researchers Rachel Inafuku and Justin Tyndall found evidence to support community sentiment. Their research found that as STR supplies increase, so does the demand for local housing which drives up local housing costs. This legislation that would grant counties the authority to enact zoning ordinances to amortize or phase out transient vacation rental units over a reasonable period of time, would allow each county to manage its unique problem. In counties with higher percentages of STRs, like Maui and Kauai counties, there is a great need to regulate STRs and this bill would alleviate that need.

Our work with the community has seen that renters are the ones who are suffering the most in this hostile market. We cannot find affordable housing nor landlords who care about the community in the same way they care about return on investment. We are the workforce needed but cannot afford to live here. Our children cannot afford to live here. The community call on your honor to grant us the right to reshape our housing landscape. This legislation would provide a path to recovery for our local housing market and a chance at stabilizing our community which has lost so much.

Sincerely,

Maui Housing Hui

April 1, 2024

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Norman Vesala and I am the owner of Papakea G205. Thank you for the opportunity to testify about this bill.

Papakea is a property that employs over 30 local residents that depend on the income they make to be able to stay in Maui. Also, because of the size of Papakea property, many other local businesses also depend on the services that this property provides – for example pilots & flight attendants, property management companies, electricians, plumbers, housekeeping, contractors, pest control & tree trimming companies to name a few. It is not only a short term rental property, but also a resident property to some people.

Also very important is that Papakea's Short Term Rentals support both the State of Hawaii & County of Maui via the property taxes, TAT, GET & MTAT that would otherwise not be collected and would have a significant impact on the States ability to support the County's affordable housing fund.

The tourists that come to Maui support many small businesses on the island such as restaurants, food trucks, tour companies, state & national parks and all the retail stores. Taking away the STR abilities will greatly impact all these local businesses negatively.

Papakea has a unique atmosphere because there are a very high percentage of guests that have returned year after year – some as long as 40 years! So as you can imagine, they have developed connections with the Maui community at large, not just at Papakea.

The quickest way to help house the displaced families from the Lahaina fires is to address the issues with the ILLEGAL short term rentals – not to shut them all down.

For the reasons stated herein I **OPPOSE** SB2919 and urge the committee to defer it.

Respectfully,

Norman Vesala, President
QNL Holdings Inc
Papakea G205

SB-2919-HD-1

Submitted on: 4/1/2024 6:12:37 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
MIKE SNORSKY	AIR TEC CO.	Oppose	Written Testimony Only

Comments:

OPPOSED FOR OBVIOUS REASONS



Housing Hawai'i's Future
PO Box 3043
Honolulu, HI 96802-3043

April 2, 2024

TO: Chair Yamashita and members of the Hawai'i State House Finance Committee
RE: SB 2919 RELATING TO ZONING

Dear Chair and Committee Members,

My name is Sterling Higa, and I serve as executive director of Housing Hawai'i's Future, a nonprofit creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support SB 2919.

STRs use our limited housing inventory for business purposes rather than meeting our long-term housing needs.

The counties should build more housing, and they should also have the authority to phase out the use of housing as STRs over time.

Thank you,

A handwritten signature in cursive script that reads "Sterling Higa".

Sterling Higa
Executive Director
Housing Hawai'i's Future
sterling@hawaiisfuture.org
+1 (808) 782-7868



**REALTORS® ASSOCIATION
OF MAUI, INC.**

April 2, 2024

The Honorable Kyle Yamashita, Chair
Committee on Finance

State Capitol, Conference Room 308

RE: Senate Bill 2919, SD2, HD1 Relating to Property

HEARING: Tuesday, April 2, 2024, at 4 p.m..

Aloha Chair Yamashita, and Members of the Committees

My name is Gary Saldana, I am the Government Affairs Director for the Realtors Association of Maui, providing comments in **opposition** of Senate Bill 2919,SHD2, HD1 the purpose of which is to allow counties to enact a zoning ordinance to amortize or phase out nonconforming single-family transient vacation rental units over a reasonable period of time.

Even though this measure does not mandate that short term rentals be phased out from special districts, the objective of this measure is to encourage counties to reduce short term rentals to achieve securing long term rentals for our residents. Accordingly, we would respectfully request that you oppose this bill and consider redirecting your focus on illegal transient vacation rentals in securing long term rentals.

In 2019 the County of Maui initiated an aggressive effort to curb the increase of illegal vacation rentals. At that time it was estimated there were thousands of illegal vacation rentals operating in Maui. According to a Maui Department of Planning official, providing TAT parcel information would be a useful tool in enforcement of illegal operations. The Zoning Administration and Enforcement Division of the Maui Department of Planning has indicated that providing TAT parcel information by the State would allow them to determine if the operation is legally permitted and is within the appropriate zoning classification. Pursuant to Section 19.65, Maui County Code, illegal transient vacation rental shall not apply for a transient vacation permit for five years. Considering this provision, it would be an opportunity for the property owner to use the unit for long term rentals.

441 Ala Makani St. Kahului, HI 96732
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**REALTORS® ASSOCIATION
OF MAUI, INC.**

Additionally, it is important to note that Mayor Bissen, in his State of the County address, and Governor Green recently announced that pursuing illegal short term rentals will be the focus of their efforts to secure long term rentals in the County of Maui and throughout the State.

As Maui County and the State focus on disaster recovery and relief, it's important to note that short term rental property owners played an integral role in our recovery. Hundreds of short term rentals have been secured to house many of the fire victims. Short term rental owners heeded the call by the Governor, Legislature, FEMA and County officials to provide their properties to help survivors of the wildfires. The very segment of the community this measure is seeking to remove is the segment of the community that has stepped up and provided shelter to individuals and families that have lost everything. On its face, this measure appears to undermine a segment of our community that has secured housing for wildfire survivors. Please don't abandon the property owners that helped in a time of need.

Furthermore, short term rental property tax revenue will play an integral role in funding recovery. To encourage the "amortization or phasing out" of a potentially significant revenue generating resource would be devastating to the State and Maui County economy, not to mention how it would impact the recovery potential for Lahaina and Kula.

Legal short term rentals in Maui County are a significant and legitimate part of our hospitality industry, and have been for many years. These operations are paying a high real property tax, local and State TAT. It is the illegal operators that are not contributing to the State and County revenue base, therefore the focus should be on enforcement. It does not make sense for the State to encourage the County to create laws that would shut down legal operating small businesses, especially the ones that bring millions in real property tax revenue.

Accordingly, RAM would respectfully request your consideration in opposing this measure and refocus your energies to crack down on illegal transient vacation operations, by providing local authorities TAT parcel information for enforcement purposes and provide funding to allow this effort to continue on Maui and other Counties.

Mahalo for the opportunity to testify on this measure.



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April 1, 2024

HOUSE COMMITTEE ON FINANCE
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

HEARING DATE: April 2, 2024
TIME: 4:00 pm
PLACE: Conference Room 308

Re: TESTIMONY ON BEHALF OF AIRBNB OPPOSING
SENATE BILL NO. 2919 S.D.2 H.D.1

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

We write on behalf of our client, Airbnb, in opposition to Senate Bill No. 2919 S.D.2 H.D.1 (“**SB 2919 S.D.2 H.D.1**”). We are concerned that this bill is likely to result in unconstitutional actions that result in substantial future legal action. The stated purpose of the proposed amendments contained in SB 2919 S.D.2 H.D.1 is to allow the Counties to amortize or phase out “transient vacation rental units” from the class of residential use that is protected from amortization by the terms of Section 46-4 of the Hawai‘i Revised Statutes (“**HRS**”). This is despite the fact that such uses have been lawful, residential uses for decades. Particularly troubling is that the State is not even regulating what the County may define as a “transient vacation rental unit” by including any limitations on the delegation of authority. This proposed amendment would likely result in actions that are in direct conflict with existing constitutional rights that have been explicitly recognized by courts in the State of Hawai‘i. Such conflict would result in deprivation of vested rights of existing, residential homeowners. The end result of such impacts would likely be substantial litigation. For these reasons, we would strongly urge that the Committee not pass this bill.

A. Section 46-4 of the Hawai‘i Revised Statutes Reflects the State’s Statutory Codification of Property Rights Arising from the Hawai‘i and United States Constitutions.

As currently enacted, Section 46-4(a) of the Hawai‘i Revised Statutes (“**HRS**”) protects the property rights of residential homeowners, which are vested in owners by both the Hawai‘i and United States Constitutions.

Specifically, the language of Section 46-4(a) makes clear that existing uses which were permissible at the time of the enactment of the statute shall not be impacted by subsequent governmental acts, providing:

Neither this section nor any ordinance enacted pursuant to this section shall prohibit the continued lawful use of any building or premises for any . . . purpose for which the building or premises is used at the time this section or the ordinance takes effect.

The effect of this provision was to provide that a county was precluded from passing a law that discontinues any previously lawful use of any property. Additionally, the statute limited counties’ passing of zoning ordinances that provided for the elimination of nonconforming uses or for the amortization or phasing out of nonconforming uses solely to commercial, industrial, resort, and apartment-zoned areas only. The statute further confirms that, “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.” (emphasis added).¹

In interpreting Section 46-4, it is important to look to the history of its passage.² The Legislature noted property owners’ protections arising from the Hawai‘i and federal Takings Clauses and passed the language that would limit the counties’ ability to adopt zoning ordinances that “prohibit the continuance of the lawful use of any building or premises for any trade, industry, residential, agricultural or other purpose for which such building or premises is used at the time . . . such ordinance takes effect.”³

In 1980, the Legislature amended Section 46-4 and added the above-cited language to prohibit the counties from phasing out “any existing building or premises used for residential or agricultural purposes.”⁴ As the 1980 House Journal confirms, this amendment was intended “to restrict the areas where the counties are allowed to amortize or phase out non-conforming uses to non-residentially zoned areas.”⁵

The intent and effect of Section 46-4(a) are clear: counties may not phase out the continued lawful use of any property used for residential purposes. Courts have enforced that limitation in a

¹ Haw. Rev. Stat. § 46-4.

² Hawai‘i law expressly recognizes that a statute’s legislative history is relevant to ascertain its “true meaning.” H.R.S. § 1-15.

³ Act 234, Hawai‘i Session Laws 1957, § 6.

⁴ 1979 Hawai‘i Senate Journal (Special Committee Reports) at 1235.

⁵ 1980 Hawai‘i House Journal (Standing Committee Reports) at 1676–77 (noting the amendment “restricts the counties from amortizing or phasing out existing buildings or premises used for residential or agricultural purposes.”).

variety of contexts to ensure that property uses lawful under preexisting zoning ordinances receive grandfathering protection.⁶

B. As Amended, SB 2919 S.D. 2 H.D.1 Could Result in Violations of the State and Federal Constitutions by Impairing Existing Vested Rights and by Enacting an Unconstitutional Special Law

It is incontrovertible that the Hawai‘i State Legislature has a duty to pass laws that are consistent with and effectuate the protections of the Hawai‘i and Federal Constitutions.⁷ Passage of this bill would conflict with the Legislature’s obligations to adopt laws consistent with constitutional principles. Amending HRS § 46-4 through SB 2919 S.D. 2 H.D.1 would not change the underlying constitutional protections that the statute codifies. Furthermore, the Legislature’s authority to adopt laws does not authorize it to redefine constitutional requirements.⁸ Such a change could, thus, result in substantial litigation, which would be time-consuming, costly, and harmful to Hawai‘i’s residential landowners.

1. SB 2919 S.D. 2 H.D.1 would likely result in impairment of existing vested rights in violation of existing State and federal constitutional protections.

As noted, one of the fundamental purposes of HRS § 46-4 is to protect the uses that lawfully existed prior to the effective date of a zoning restriction. Such protection has its foundation in principles arising from protections in both the United States and Hawai‘i constitutions. The Fifth Amendment to the United States Constitution prohibits “private property [from] be[ing] taken for public use, without just compensation.” U.S. Const. amend. V. Similarly, the Hawai‘i Constitution states that “[p]rivate property shall not be taken or damaged for public use without just compensation.” Haw. Const. art. I, § 20. Furthermore, the Hawai‘i Constitution provides even broader protection than its federal counterpart, as it prohibits not just takings, but also mere “damage” to property interests.⁹ As such, “[w]hen applying the Hawai‘i Constitution, Hawai‘i courts may interpret it to afford greater protection than provided by the U.S. Constitution.”¹⁰

Both Hawai‘i and federal litigation has recognized the principle that all preexisting uses of land are protected, including nonconforming uses. “Under the United States and Hawai‘i

⁶ See, e.g., *Waikiki Marketplace v. Zoning Bd. Of Appeals*, 86 Hawai‘i 343, 354, 949 P.2d 183, 194 (Ct. App. 1997).

⁷ “[E]very enactment of the Legislature is presumptively constitutional.” *Schwab v. Ariyoshi*, 58 Haw. 25, 31, 564 P.2d 135, 139 (1977) (citing *State v. Kahalewai*, 56 Haw. 481, 541 P.2d 1020 (1975)); cf. *League of Women Voters of Honolulu v. State*, 150 Hawai‘i 182, 194, 499 P.3d 382, 394 (2021) (“[I]f the Legislature could alter the meaning of the Hawai‘i Constitution through its own rules of procedure, theoretically, there would be no need to go through the formality of amending the Hawai‘i Constitution. See *Mason’s Manual [of Legislative Procedure]* (2010 ed.) § 12, ¶ 1 (‘A legislative body cannot make a rule which evades or avoids the effect of a rule prescribed by the constitution governing it, and it cannot do by indirection what it cannot directly do.’).”)

⁸ *Sierra Club v. Dep’t of Transp. of State of Hawai’i*, 120 Hawai‘i 181,196, 202 P.3d 1226, 1241 (2009), as amended (May 13, 2009).

⁹ See, e.g., *Cnty. of Hawai‘i v. C & J Coupe Family Ltd. P’ship*, 119 Hawai‘i 352, 382, 198 P.3d 615, 645 (2008).

¹⁰ *Id.* (citing *Hawai‘i Hous. Auth. v. Lyman*, 68 Haw. 55, 69, 704 P.2d 888, 896 (1985)).

Constitutions, ‘preexisting lawful uses of property are generally considered to be vested rights that zoning ordinances may not abrogate.’”¹¹ Significantly, even preexisting nonconforming uses are protected from subsequent restrictive zoning regulations.¹² As the Hawai‘i Intermediate Court of Appeals has recently stated, “The statutory protection of lawfully existing uses and structures ‘prior to the effective date of a zoning restriction is grounded in constitutional law.’”¹³

The Ninth Circuit has similarly recognized that the right to continue a preexisting lawful use is constitutional in nature. “A provision permitting continuance of a nonconforming use is ordinarily included in zoning ordinances because of the hardship and doubtful constitutionality of compelling the immediate discontinuance of nonconforming uses.”¹⁴

It is important to note that one of the primary issues raised by SB 2919 S.D. 2 H.D.1 is its attempt to define any rental of property less than 180 days in length as no longer constituting a “residential” use. However, courts in Hawai‘i and across the United States have repeatedly reaffirmed that short-term rentals are a fundamentally residential use. Most recently, the Hawai‘i Federal District Court held that short-term rentals of 30-89 days were “residential uses” because the property was being “used” for “ordinary living activities.”¹⁵ The court further recognized that residential owners have such vested rights and that limitations would likely violate constitutional takings principles in holding that the County ordinance likely violated both Section 46-4(a) and the Takings Clause of the Hawai‘i and Federal constitutions.¹⁶ As to Section 46-4(a), the court recognized that short-term rentals are a residential use of property, and counties therefore were required to provide grandfathering protection.¹⁷ But the court did not stop there. Recognizing that Section 46-4(a)’s statutory protection was grounded in constitutional principles, it also found the ordinance likely violated the Takings Clause. The court stated:

The Takings Clause, made applicable to the States by the Fourteenth Amendment, provides that private property shall not “be taken for public use, without just compensation.” U.S. Const. amend. V. 21 . . . In the present case, 30–89-day rentals in non-Resort districts are a vested property right protected by takings principles. Plaintiff has articulated its vested entitlement to this property right on the basis of equitable reliance principles: . . . Here, there is no question that there has, in that Ordinance 22-7 outlaws the rentals in question within 180 days and without

¹¹ *Ferris Trust v. Planning Comm’n of Kaua‘i*, 138 Hawai‘i 307, 312, 378 P.3d 1023, 1028 (Ct. App. 2016) (internal citations omitted).

¹² *Young v. Planning Comm’n*, 89 Hawai‘i 400, 410, 974 P.2d 40, 50 (1999) (internal citations omitted)

¹³ *Ferris Trust*, 138 Hawai‘i at 312, 378 P.3d at 1028 (internal citations omitted); *Waikiki Marketplace*, 86 Hawai‘i at 353, 949 P.2d at 193 (citing the due process clauses of the United States and Hawai‘i Constitutions).

¹⁴ *League to Save Lake Tahoe v. Crystal Enterprises*, 685 F.2d 1142, 1145 (9th Cir. 1982).

¹⁵ *Hawai‘i Legal Short-Term Rental All. v. City & Cnty. of Honolulu*, No. 22-CV-247-DKW-RT, 2022 WL 7471692, at *7-8 (D. Haw. Oct. 13, 2022).

¹⁶ *Id.* at 10 (“In the present case, 30–89-day rentals in non-Resort districts are a vested property right protected by takings principles.”)

¹⁷ *Id.* at *5-8.

providing any process to compensate or accommodate nonconforming uses. In this light, Ordinance 22-7 likely violates the Takings Clause.¹⁸

Accordingly, the Hawaii Federal District Court enjoined the City and County of Honolulu from enforcing certain provisions of an ordinance that prohibited the previously lawful rental of one's residence for 31–89 days because it effected an unconstitutional taking.¹⁹ Further, just last month, the Hawai'i Federal District Court permanently enjoined enforcement of that very same Honolulu ordinance.²⁰

The effect of trying to redefine what courts have already found to be a valid, residential use would inevitably lead to continued improper attempts to regulate existing vested uses of residential property that are protected. As such, we would urge that the bill be held as it would not accomplish any legitimate governmental objective and would ultimately lead to substantial and unnecessary litigation.

C. SB 2919 S.D. 2 H.D.1 Potentially Implicates the Equal Protection Clauses of the Hawai'i and United States Constitutions.

It should be noted that the distinction being created by SB 2919 S.D. 2 H.D.1 by characterizing transient accommodations, i.e. stays of less than 180 days, as somehow not a residential use, while stays of 180 days or more are a residential use, creates a distinction between different owners of traditionally residential property that does not appear to have any rational basis. In order for a law such as SB 2919 S.D. 2 H.D.1 to create distinctions between individuals, the legislature must have, at a minimum, a rational basis for such disparate treatment.²¹

To the extent that SB 2919 S.D. 2 H.D.1 creates the distinctions identified herein, it has not provided any valid justification for such disparate treatment.

It is noted that in the recently decided Hawai'i Federal District Court case, Judge Derrick Watson examined the fundamental nature of a short-term rental and concluded that it was a “residential use.”²² In response to the argument that “short-term rentals are [] business, commercial, and transient/resort type land uses; they are not ‘residential uses’ protected from amortization under HRS § 46-4,”²³ Judge Watson stated: **“The Court disagrees. Whether a use**

¹⁸ *Id.* at *6-7.

¹⁹ *Id.*; see also *Hawai'i Legal Short-Term Rental All. v. City & Cnty. of Honolulu*, No. 22-CV-00247-DKW-RT, 2023 WL 8850247, at *1 (D. Haw. Dec. 21, 2023).

²⁰ *Hawai'i Legal Short-Term Rental All.*, No. 22-CV-00247-DKW-RT, 2023 WL 8850247, at *1.

²¹ See *Willowbrook v. Olech*, 528 U.S. 562, 564 (2000); *Armendariz v. Penman*, 75 F.3d 1311, 1327 (9th Cir. 1996); *DW Aina Lea Development, LLC v. Bridge Aina Lea, LLC.*, 134 Hawai'i 187, 218, 339 P.3d 685, 716 (2014) (“[T]he equal protection clauses of the United States and Hawai'i Constitutions mandate that all persons similarly situated shall be treated alike[.]”).

²² *Hawai'i Legal Short-Term Rental All.*, No. 22-CV-247-DKW-RT, 2022 WL 7471692, at *9.

²³ *Id.* at 8.

is residential depends much more on what is being done at a residence than for how long.²⁴

Judge Watson continued to state:

[T]hese rentals are being used for ordinary living activities by the occupants. Although the occupants of monthly rentals may shift more frequently than some neighbors and perhaps Defendants would like, there is no doubt that these tenants are using the homes for residential purposes. Moreover, the use does not depend on why the property is owned. By Defendants' logic, any home rental of any length is a commercial use if the property is owned for "speculative" financial or investment purposes.²⁵

Thus, Judge Watson has already identified the standard for evaluating what constitutes a residential use and found that the distinction between a shorter term use and a longer term use is not legally significant, as the character of the use is the primary factor. SB 2919 S.D. 2 H.D.1 does not articulate any rational basis as to why a tenant with a lease longer than six months is a valid residential use, but none of the following uses are "residential": (1) a temporary worker who comes to Hawaii for 90 days to help address the lack of affordable housing; (2) an environmental scientist who spends 30 days in Maui reviewing environmental impacts; or (3) a guest professor who comes to Hawaii for a semester to teach a class. All of these uses are fundamentally the same in that they are all using the rented property for ordinary living activities and all are providing great benefit to the State of Hawaii. The fundamental effect of SB2919 S.D.2 H.D.1 would be to characterize these as different uses even though they are essentially identical. As such, this attempted redefinition of what constitutes a residential use results in a law that impermissibly treats groups of people disparately in violation of the Hawaii and United States Constitution. For this reason, SB 2919 S.D. 2 H.D.1 should be held.

D. Conclusion

For the reasons set forth herein, we have significant concerns about the proposed changes in SB 2919 S.D. 2 H.D.1 and would strongly recommend that the Committee hold this bill.

Very truly yours,



DAVID M. LOUIE
JOSEPH A. STEWART

for

KOBAYASHI, SUGITA & GODA, LLP

²⁴ *Id.* (emphasis added).

²⁵ *Id.*



Testimony IN SUPPORT SB2919

April 2, 2024

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

Tagnawa offers testimony IN STRONG SUPPORT of SB2919, which would empower counties to phase out short-term vacation rentals. We echo the call of Lahaina Strong to prioritize kama'āina, Kānaka Maoli, and Lahaina fire survivors' housing needs.

This bill is in the best interest of all working Filipinos in Hawai'i.

Tagnawa is Filipino immigrant-led organization dedicated to the long-term resiliency of Filipinos in Lahaina and Hawai'i-wide, and was one of the earliest community mobilizations on the ground for fires-affected immigrants alongside champions like Roots Reborn.

The increase of vacation rentals and loss of critical housing stock in Hawai'i has accelerated over the last decade to the point where at least one in every 24 homes in Hawai'i is a vacation rental.¹ This is a threat to the fabric of our community and to the Lahaina recovery.

Accordingly, we ask that the House Committee on Finance pass SB2919.

Agyamanak for the opportunity to provide testimony,

Nadine Ortega, J.D.
Executive Director

¹ <https://www.honolulumagazine.com/heres-how-vacation-rental-companies-like-airbnb-actually-affect-hawaii-locals/#.Ws1QJljwYdW>



House Committee on Finance

Hawai'i Alliance for Progressive Action (HAPA) **Supports**: SB2919 SD2 HD1

Tuesday, April 2, 2024 4:00 p.m. House Conference Room 308

Aloha Dear Chair Yamashita, Chair Kitagawa, and Honorable Members of the Committees,

I am writing on behalf of the Hawai'i Alliance for Progressive Action to express our strong support for SB2919 SD2 HD1. This crucial bill serves to clarify that counties in our state have the unequivocal right to phase out short-term rentals over a reasonable period. The recent devastating fires in Lahaina have underscored the significant role short-term rentals play in exacerbating our housing crisis. It is imperative that we take decisive action to address this issue, and SB2919 is a vital step in the right direction.

As we commend the intent of SB2919, we believe it is essential to ensure that its provisions extend to apartment-zoned properties. Communities statewide, including Lahaina, have felt the adverse impacts of the proliferation of short-term rentals in apartment-zoned areas. This unchecked expansion has only worsened our housing shortage and driven rental prices beyond the reach of many residents.

By explicitly including apartment-zoned properties in SB2919 SD2 HD1, we can ensure that all areas affected by the negative consequences of short-term rentals are adequately addressed. This extension of coverage is critical to safeguarding the integrity of our neighborhoods and ensuring access to affordable housing for all residents.

We urge you to incorporate language in SB2919 SD2 HD1, that explicitly applies to apartment-zoned properties. This inclusion will strengthen the bill's effectiveness in tackling the root causes of our housing crisis and fostering more equitable communities across our Hawai'i.

Thank you for your attention to this matter. We look forward to your continued leadership in advancing policies that promote housing affordability and community well-being.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anne Frederick', written in a cursive style.

Anne Frederick
Executive Director

1003 Bishop Street, Suite 1600
Honolulu, Hawaii 96813-6452
Telephone (808) 531-8031
Facsimile (808) 533-2242
E-Mail: gwk@hawaiilawyer.com
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April 1, 2024

House Committee on Finance
Chari Kyle T. Yamashita; Vice Chair Lisa Kitagawa

David H. Abitbol
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Michael A. Yoshida
Madeleine M.V. Young

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Denise C.H. Leong
(1942-2023)
R. Charles Bocken
(1921-2020)
C. F. Damon, Jr.
(1926-2017)
Charles W. Key
(1929-2008)



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Re: Testimony in Opposition to SB 2919, SD2, HD1
Hearing: Tuesday, April 2, 2024 at 4:00 P.M.

Dear Chair, Vice Chair, and Committee Members:

We represent Hawaii Legal Short Term Rental Alliance (“HILSTRA”), a Hawaii not-for-profit corporation whose purpose is to create a sustainable business environment for legal property rentals in Hawaii. HILSTRA’s members are numerous property owners and property managers who engage in the legal practice of renting residential properties throughout the State of Hawaii. **HILSTRA strongly opposes SB2919** for the reasons stated below.

HILSTRA recently prevailed in a federal lawsuit in the United States District Court, District of Hawaii – *Hawaii Legal Short-Term Rental Alliance v. City and County of Honolulu*, Civ. No. 1:22-cv-00247-DKW-RT – in which the District Court held that HRS 46-4 prevented the City and County of Honolulu from amending its zoning ordinance to prohibit previously lawful rentals of residential property of 30 to 89 days.¹ The District Court found that the rental of property for ordinary living activities is a “residential use” protected by the express prohibition of HRS 46-4 against using zoning laws to eliminate lawful residential uses of property in Hawaii. *Id.* Bill 1838 is nothing but an attempted end-run around the District Court’s opinion and well-settled constitutional principles upon which HRS 46-4 is premised.

1. Lawful Residential Rentals Are Constitutionally Protected Vested Rights.

HRS 46-4 was initially adopted by the Legislature in 1957 by Act 234. In granting Hawaii’s counties the power to enact zoning ordinances, the Legislature specifically prohibited the adoption or amendment of zoning ordinances which would prohibit the continuance of the “lawful use of any building or premises for any trade, industry, residential, agricultural or other purpose for which such building or premises is used at the time this act or such ordinance takes effect.”² Preexisting lawful uses could only be eliminated as the use was discontinued by the owner. *Id.*

¹ *Haw. Legal Short-Term Rental All. v. City and County of Honolulu*, 2023 U.S. Dist. LEXIS 227895 (D. Haw., Dec. 21, 2023).

² Act 234, Hawai‘i Session Laws 1957, § 9.

The statutory protection of prior lawful uses is simply a codification of underlying constitutional principles. As has been repeatedly noted by Hawaii’s appellate courts: “The statutory protection of lawfully existing uses and structures ‘prior to the effective date of a zoning restriction is grounded in constitutional law.’”³ “Such uses are vested rights that zoning ordinances may not abrogate.” *Id.*

When the Legislature amended HRS 46-4 in 1980 to introduce “amortization or phasing out of non-conforming uses”, it made crystal clear that the counties could not use their zoning powers to amortize or phase out uses in residentially zoned districts by stating a zoning ordinance may provide “for amortization or phasing out of nonconforming uses or signs over a reasonable period of time in commercial, industrial, resort, and apartment zoned areas only.”⁴ The Legislature removed any doubt when it added “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.” *Id.* The Legislature’s intent was to make sacrosanct residential and agricultural uses in Hawaii.⁵

While the counties have long pushed for an amendment – like SB 2919– to remove this restriction on certain residential uses in residential districts, such a statutory change will be ineffective. That is because HRS 46-4’s limitations on zoning are simply a codification of underlying constitutional protections embedded in the Hawaii and United States Constitutions, which both explicitly protect private property and due process. “The statutory protection of lawfully existing uses and structures ‘prior to the effective date of a zoning restriction is grounded in constitutional law.’”⁶

Thus, the constitutional protections will remain a legal protection against any effort to amortize or phase out certain politically disfavored residential uses. Although the HILSTRA litigation included claims that Honolulu’s Ordinance 22-7 – which attempted to eliminate lawful residential uses of rentals less than 90 days – violated the Hawaii and United States Constitutions’ protections of private property and due process, the District Court of Hawaii did not need to decide those

³ *Ferris Trust v. Planning Comm’n of Kauai*, 138 Hawaii 307, 312 (Ct. App. 2016) (holding that HRS 46-4 and constitutional due process protect the owner of property used as a transient vacation rental when Kauai amended its zoning code to restrict such use); *Waikiki Marketplace Inv. Co. v. Chair of Zoning Bd. of Appeals*, 86 Hawaii 343, 353 (Ct. App. 1997) (noting HRS 46-4’s protection of lawful uses of property was grounded in constitutional law).

⁴ Haw. Rev. Stat. § 46-4(a) (emphasis added).

⁵ 1980 Hawaii House Journal (Standing Committee Reports) at 1176-77.

⁶ *Ferris Trust*, 138 Hawaii at 312; *Waikiki Marketplace*, 86 Hawaii at 353.

constitutional claims. Enactment of a bill like SB 2919 will still run head long into the constitutional protections.

2. Legal “Short-Term” Rentals Are Used By Hawaii Residents.

Contrary to the false narrative that short/shorter term rentals are only used by tourists, they are essential to Hawaii residents. As noted by the District Court in the HILSTRA litigation, restricting the ability of homeowners to legally rent properties on a month-to-month basis impairs”

(1) service members’ ability to easily transition to or from on-base military housing; (2) traveling medical practitioners’ ability to provide contracted care at O’ahu health care facilities; (3) local residents’ ability to transition between homes; (4) contractors’ abilities to perform work on O’ahu; (5) displaced residents’ ability to find housing following natural and man-made disasters, including the Red Hill fuel leak, fire and flood; (6) neighbor island residents’ ability to travel to O’ahu for medical care or events; and (7) other individuals’ ability to travel as they prefer.⁷

This is no less true for hula halau travelling to Hilo for Merrie Monarch, or canoe clubs competing inter-island. There are many Hawaii residents who cannot or do not need to enter yearlong rental arrangements as their housing, employment or travel needs require.

3. Legal “Short-Term” Rental Generate Millions In Tax Revenue For Hawaii.

Studies have shown that alternative accommodations like “short-term rentals” provide significant benefits to Hawaii’s economy. A 2018 study of short-term rentals on O’ahu found they generate an annual \$129,000,000 in tax revenue.⁸ Similarly, on O’ahu alone in 2018, it was estimated that they provide 12,000 jobs, \$564,000,000 in household income, and \$2 billion in spending. *Id.*

Statewide, the economic impact of tax revenue, employment, household income, and spending is even greater. This is a direct economic benefit to Hawaii, which would be dramatically impaired by legislation like SB 2919.

⁷ *Haw. Legal Short-Term Rental All.*, 2023 U.S. Dist. LEXIS 227895.

⁸ *Economic Impact of Alternative Accommodations on Oahu*, Kloninger & Sims Consulting, LLC, July 23, 2018, p.1.

4. The Legislature Intentionally Protected Residential Use In Hawaii.

As was observed in 1604 by Sir Edward Coke, “the house of every one is to him as his Castle and Fortress.” This was equally evident to Hawaii’s legislature in 1980 when it placed residential uses above all others by amending HRS 46-4 to enact the prohibition on zoning away residential uses.⁹ The Legislature should not begin to erode those protections, which allow Hawaii residents to use their homes to meet their living and income needs.

5. The Legislature Has Wisely Refused Previous Efforts To Amend HRS 46-4.

SB 2919 is only the latest attempt by Hawaii’s counties to amend HRS 46-4 in this fashion. As the District Court observed “the State Legislature has been lobbied by the DPP and other counties since at least 2014” to amend HRS 46-4 to grant counties the power to amortize or phase out nonconforming or otherwise allowed short-term rentals.¹⁰ Year after year, the Legislature has declined the counties’ invitation to water down the protections afforded for residential uses by HRS 46-4.

The counties already have the power to eliminate short-term or transient accommodations if they desire. The Legislature has granted each county with the power of eminent domain under HRS 46-61. Thus, each county already has the power to take private property for public purposes, upon the payment of just compensation to the owner. Should the counties wish to eliminate lawful residential uses of property quicker than the already permissible means of discontinuance, then each already has the power of condemnation, which is the constitutionally permissible way to take private property rights.

6. Passage of SB 2919 Will Generate Litigation.

Courts in other jurisdictions have ruled that amortization, as a means to eliminate private property rights is an unconstitutional taking of private property without compensation.¹¹ The Georgia Supreme Court, interpreting its constitutional protection against private property being “taken or damaged” – the same language

⁹ 1980 Hawaii House Journal (Standing Committee Reports) at 1176-1177.

¹⁰ *Haw. Legal Short-Term Rental All*, 2022 U.S. Dist. LEXIS 187189 n. 19.

¹¹ *Lamar Adver. of S. Ga. v. Albany*, 389 S.E.2d 216 (Ga. 1990); *Hoffman v. Kinealy*, 389 S.W.2d 745 (Mo. 1965).

April 1, 2024
Page 5

found in Hawaii's Constitution – held that the uncompensated amortization of nonconforming signs was an unconstitutional taking of private property.¹² The Missouri Supreme Court held that “zoning zealots” used the amortization technique to eliminate preexisting lawful uses and that such elimination was unconstitutional.¹³

Thus, the counties' invitation to the Legislature to grant them an arguably unconstitutional power may well invite litigation against the State. And if SB 2919 is passed and zoning laws are amended to amortize certain disfavored residential uses, the counties themselves will surely be sued.

For the foregoing reasons, the Senate should decline to advance SB 2919.

Very truly yours,

DAMON KEY LEONG KUPCHAK HASTERT



Gregory W. Kugle
David H. Abitbol

GWK/DHA:rp
851928

¹² *Lamar Adver. Of S. Ga*, 389 S.E.2d 216.

¹³ *Hoffman*, 389 S.W.2d at 750.

SB-2919-HD-1

Submitted on: 4/1/2024 10:15:57 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julie Warech	Jewish Voice for Peace-Hawai'i	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. Our government promised to let Lahaina lead in the aftermath of the fires, and passing this today is making good on that promise.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. It is unacceptable how many folks are yet to be in long term housing in the aftermath of the fires which is directly due to 87% of residences left in West Maui being short term rentals.

Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. We need legislation like this to address the growing housing crisis with locals moving away daily and transplants many of which are remote workers and therefore do not even work locally taking their place.

Thank you for your attention to this critical issue.

Sincerely,

Jewish Voice for Peace-Hawai'i



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

April 2, 2024

COMMITTEE ON FINANCE

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

Committee Members

SB 2919 SD2 HD1

RELATING TO PROPERTY

Hawaii's Thousand Friends, a statewide non-profit water and land use planning organization dedicated to protecting the environment, human health, and cultural and natural resources *supports* SB 2919 SD2 HD1 that upholds county home rule authority to phase out transient accommodations in residential and agricultural zoned areas.

A DBEDT May 2023 Hawai`i Vacation Rental Performance Report notes that Maui County had the largest vacation rental supply of 257,200 available unit nights in May 2023. Oahu had 227,300 available unit nights in the same month. In May 2023 Hawai`i islands vacation rental supply was 207,200-unit nights and Kaua`i available vacation rental unit nights were 125,100.

An April 2023 UHERO Short-term Vacation Rentals and Housing Costs in Hawai`i report found that the share of the state's housing stock posted on Airbnb is 4.7%, more than three times higher than San Francisco and more than seven times higher than New York City. Maui County has 12% of all housing units listed on Airbnb and on Kauai the figure is 14%.

The report states that *Each short-term rental (STR) represents a housing unit that could otherwise be part of the local supply of permanent housing, exacerbating the state's current housing shortage.*

The report further states. *While many factors contribute to high housing costs, the economic logic linking STRs to increases in the cost of housing is fairly unequivocal:*

diverting units from the pool of long-term housing reduces long-term housing supply and pushes up rents and home prices.

A Barcelona study comparing STR activity near and far from tourist attractions found that adding 50 STRs to a neighborhood increased rents by 2% and home prices by 5%.

A study from Los Angeles looking at an STR policy change showed that reducing Airbnb's by 50% led to a 2% reduction in home prices and rent.

These statistics represent homes in residential neighborhoods that could be and should be rented by or sold to Hawaii residents.

We urge the committee to pass SB 2919 SD2 HD1 in support of the counties right to plan for and make decisions on transient vacation rentals.



April 2, 2024

TO: Chair Kyle T. Yamashita
Vice Chair Lisa Kitagawa
Members of the House Committee on Finance

FR: Alex April
Airbnb Public Policy, Hawai'i

RE: SB2919 SD2 HD1 Relating to Property. - **COMMENTS**

Mahalo for the opportunity to comment on SB2919 SD2 HD1, related to property. We've worked closely with the State of Hawaii and local governments in Honolulu, Kauai, Big Island and Maui to develop short-term rental policies that allow home sharing to continue to support the state's tourism industry and provide accommodations for visitors, including transient workers, students, and residents displaced by natural disasters.

Given the historical role short-term rentals have played in supporting the state's visitor economy, we write to express our concerns with SB2919 SD2 HD1, including:

1. Impact on State Revenue: According to the Hawaii Tourism Authority, the short-term rental industry generated \$132.6 million in TAT revenue alone in 2018. In 2022, Airbnb hosts generated approximately \$77M in GET and TAT to the State of Hawai'i. Total GET and TAT revenue is substantially higher when factoring tax revenue from other platforms and independent hosts. If passed, SB2919 SD2 HD1 would significantly reduce the state's ability to make ends meet under the current budget.
2. Airbnb is a willing partner to counties: Airbnb has MOUs with Honolulu, Maui, and Kauai to support their enforcement of short-term rental rules. For example, pursuant to our MOU, Kauai has consistently worked with Airbnb to issue takedown requests. On Maui, Airbnb removed more than 1,300 listings that did not comply with the terms of the MOU in February 2022. SB2919 SD2 HD1 does not reflect the progress of short-term rental policy on the local level. The bill does not consider the hard work and collaboration of notice-and-takedown tools, the important work of the MOUs, and the multi-year discussion on short-term rental policy.

Additionally, in the days after the wildfires in Maui fire last August, Airbnb and Airbnb.org worked closely with the Governor's office and the Department of Human Services (DHS) to help provide temporary housing for displaced residents. In total, we connected over 2,200 displaced residents to emergency temporary housing immediately following the fire.



Since then, we have continued to work with DHS to encourage Hosts on Airbnb to offer their home to displaced residents on a longer-term basis, many for stays of up to a year. We remain committed to working with you on fair and reasonable solutions that protect the rights of Hosts and preserve the significant benefits that short-term rentals provide to Hawai'i communities.

Mahalo for the consideration of our comments.



4359 Kukui Grove Street, Suite 103
Lihue, HI 96766
Phone: (808) 245-4049
Email: kbr@kauaiboard.com

April 2, 2024

The Honorable Kyle T. Yamashita, Chair
House Committee on Finance
State Capitol, Conference Room 308 & Videoconference

RE: Senate Bill 2919, SD2, HD1, Relating to Property

HEARING: Tuesday, April 2, 2024, at 4:00 p.m.

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

My name is Milo Spindt, 2024 President, testifying on behalf of the Kaua'i Board of REALTORS® ("KBR"), the voice of real estate in Hawaii and its over 600 members. KBR opposes Senate Bill 2919, SD2, HD1, which expands the zoning powers of counties. Expands the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations. Effective 7/1/2040.

KBR supports access to housing for every need or situation, which includes legal short-term rentals ("STRs"). It is a common misconception that STRs are only for vacationers; however, STRs are also needed by Hawaii residents and workers as a temporary housing option. These types of rentals are essential for various situations, including but not limited to:

- Kaua'i already has a robust set of STR county regulations and enforcement system
- Granting counties, the power to amortize/phase out NUCs doesn't seem necessary for Kaua'i
- Kaua'i, like the rest of the state, has a housing supply issue, but STRs are not the cause

In these situations, a lengthy hotel stay may be too costly or impractical. It is important that we preserve this industry and the ability to access legal short-term rentals for this reason.

We have concerns with this proposal granting the counties the power to phase out short-term rentals as it carries the risk of a significant reduction in tax revenue for the state. Legal STRs are legitimate small businesses that pay real property taxes, general excise taxes, and transient accommodations taxes that contribute to both local county and State budgets. Instead of granting counties the power to phase out these legitimate small businesses that contribute to our economy, the focus should be on enforcement against illegal STRs.

Illegal rentals will not be affected by this measure, nor will it assist the counties with enforcement on illegal rentals. Therefore, we do not believe that this measure will have the impact that proponents believe it will and community concerns will continue to persist about illegal rentals. Counties already have the power to conduct enforcement and create reasonable regulations for this industry and we believe efforts should be concentrated in that area.

Finally, this measure could be challenged as impacting vested rights and taking principles. "Under the United States and Hawaii Constitutions, pre existing lawful uses of property is generally considered to be vested rights that zoning ordinances may not abrogate."^[1]

For the foregoing reasons, the Kauai Board of REALTORS® opposes this measure.

Mahalo for the opportunity to testify.

¹ Robert D. Ferris Trust v. Planning Comm'n of the Cnty. of Kaua'i, 378 P.3d 1023, 138 Haw. 307 (Haw. Ct. App 2016)

SB-2919-HD-1

Submitted on: 4/1/2024 11:26:26 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeremy Keith Sosner	Private Homes Hawaii	Oppose	Written Testimony Only

Comments:

Testimony Opposing SB2919 Phase Out Short Term Rentals in any Zoning

Aloha and thank you for working to make our islands a better place for all stakeholders.

I am writing today to express my strong opposition to SB2919 regarding phasing out short term rentals.

As a resident of Honolulu, and owner of a property management business, I believe this legislation would have detrimental effects on our community and provide the County's with too much control relative to property rights. I believe the County's, backed by special interest groups, will attempt to use this power to eliminate the vacation rental industry as a whole, resulting in more illegal activity, confusion and litigation. Admittedly, the industry needs reasonable restrictions in place, and the County's need authority to act which I believe they have been given in the past 6 years with passed legislation.

Would urge the County's to continue their efforts to eliminate illiegal rental activity, leaving a legal means by which to operate the nominal number of vacation rentals that would remain. These are needed to accommodate many different groups (returning residents, resident's in need of transitional housing, contract workers, military and yes, tourists who will not stay in hotels).

To me, this is an issue of extremism: letting an industry run rampant vs. shutting it down completely. I believe there is common ground that can be reached that is healthy for the economy, healthy for the towns that thrive on a combined local - tourism base (i.e. Kailua, Haleiwa, etc.) that will fill restaurants, and retail without impacting local neighborhood and infrastructure.

I urge the committee to reject SB2919 in its current form. We encourage solutions that balance the interests of homeowners, renters, and the community at large without using heavy-handed, government tactics.

Thank you for your consideration.



April 1, 2024

Committee On Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

Testimony in Support of SB2919 SD2 HD1

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

UNITE HERE Local 5 represents 10,000 working people in the hotel, food service and health care industries across Hawaii. We are in support of SB2919 HD1, which would expand the zoning powers of counties and allow counties to phase out transient vacation rentals in residential or agricultural zoned areas.

In the absence of sufficient controls on the number of units being taken out of the housing/rental market and other impacts on communities, the industry will evolve in whatever way is most profitable to those with the most decision-making power. The housing and zoning policy proposed by SB2919 HD1 empowers counties with the flexibility to respond to the needs of our communities.

Regulation on short-term rentals is needed now more than ever. Hundreds of our union members and their family lost their homes in the Lahaina wildfires, along with thousands of other residents. They are struggling to put their lives back together, and many have found this nearly impossible in the midst of an acute housing shortage. Rents, already too high, have been exacerbated by the loss of so many homes.

We urge you to pass SB2919 HD1.

Thank you for your consideration.

SB-2919-HD-1

Submitted on: 4/1/2024 12:29:38 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mykie Ozoa-Aglugub	AF3IRM Hawai'i	Support	Written Testimony Only

Comments:

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

Thank you for the opportunity to testify on this important bill.

I believe you would be hard pressed to find a Hawai'i resident not struggling with housing security and affordability in 2024. While the continued aftermath of the Lāhainā fires has exposed the dire housing situation in Hawai'i, it is demonstrable that lack of affordable housing is an issue extending far beyond the shores of Maui and long preceding the devastating August 2023 fires, exacerbated by the incursion of the short-term rental industry into our once-familiar hometowns.

Short-term rental ("STR") owners will tell you that they are helping our economy by providing jobs or present sob stories about how they cannot afford their second (or third or fourth) homes without these investment properties, but what good are jobs if the workers cannot afford to live here? What do their investment properties matter when the people of Hawai'i - specifically Native Hawaiians - are being priced out of Hawai'i in droves year after year?

Short-term rental owners will also bemoan their constitutional rights to own stolen land while the people of Lāhainā move to the continent or literally commit suicide for lack of shelter and dwindling housing options. The fact that this bill is not, in fact, unconstitutional on its face bears repeating. In actuality, the Attorney General has confirmed as much; to quote my law school classmate, Councilmember Keani Rawlins-Fernandez:

"In every hearing, the claim that this measure is unconstitutional has been made. In an attempt to put that issue to rest, the House Committee on Judiciary & Hawaiian Affairs Chair, David Tarnas, requested an opinion from the Office of the Attorney General regarding the constitutionality of HB1838, a bill similar to SB2919. The opinion from the Office of the Attorney General stated:

'The potential for the county to exercise its regulatory ability unconstitutionally in the future does not render the immediate bill unconstitutional. Furthermore, the constitutionality of future ordinances will depend on the specific circumstances, but it is absolutely possible for the counties to enact constitutional ordinances phasing out short-term rentals.'"

STR owners have attempted to bully the legislature into killing every version and companion of this bill, all while demonstrating zero sympathy for the plight of the people of Lāhainā and

Hawai'i; please keep in mind who constitutes our communities and your constituency. **Please pass SB2919 SD2 HD1.**

Thank you for your time and consideration.

Mykie E. Menor Ozoa-Aglugub, J.D.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
Tuesday, April 2, 2024 AT 4:00 P.M.

To The Honorable Representative Kyle T. Yamashita, Chair
The Honorable Representative Lisa Kitagawa, Vice Chair
Members of the Committee on Finance

OPPOSE SB2919 SD2 HD1 RELATING TO PROPERTY

The Maui Chamber of Commerce **OPPOSES SB2919 SD2 HD1**.

The Chamber feels this bill has **the potential to result in substantial legal issues**. Although the stated purpose of this measure may appear to be an innocuous delegation of authority, the proposed changes could conflict with constitutional rights as well as existing state statutes. Such changes could potentially cause numerous unintended consequences, ultimately leading to the deprivation of vested rights of existing residential homeowners, that then would likely result in substantial litigation.

As a fundamental residential use, property owners in Hawai'i have, for decades, relied on the protections enshrined in HRS Section 46-4 to offer short-term rentals to their guests. And these fundamental protections—which, as described below, are “grounded” in the Hawai'i and United States Constitutions—should not be dismissed or undermined. To do so would not only contest important constitutional protections, it would potentially drive significant litigation around the State.

Both Hawai'i and federal litigation has recognized the principle that preexisting uses of land are protected. “Under the United States and Hawai'i Constitutions, *‘preexisting lawful uses of property are generally considered to be vested rights that zoning ordinances may not abrogate.’*” Even preexisting nonconforming uses are protected from subsequent restrictive zoning regulations. As the Hawai'i Intermediate Court of Appeals has recently stated, “The statutory protection of lawfully existing uses and structures *‘prior to the effective date of a zoning restriction is grounded in constitutional law.’*”

The Chamber strongly agrees with the comments offered by the Grassroot Institute of Hawaii when they say “... the assumption that greater regulation or a phase-out of short-term rentals is a desirable goal is not supported by an impartial analysis of the visitor industry and the actual participants in the STR economy. A 2020 study commissioned by the Hawaii Tourism Authority found that STRs added \$6 billion to the state's economy and sustained 46,000 jobs. The survey also found that *‘30% respondents reported that if there was not a home and vacation rental option during their recent stay in Hawaii, they would not have made the trip.’*”



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

OPPOSE SB2919 SD2 HD1
Tuesday, April 2, 2024
Page 2

“Thus, the removal of STRs from the vacation unit inventory could have a cascading effect, causing damage to other tourist-focused businesses, such as car rental agencies, restaurants and tour operators, as well grocery and other retail outlets and workers employed in cleaning, repairing and maintaining the STR units.”

We feel the committee report #3014 from the Judiciary and Ways and Means committees of the Senate are not taking the whole of the industry and the nuances of short-term rentals into account when they say, “Your Committees find that not only do short-term rentals disrupt the State's traditional and economically indispensable lodging industries, they also disrupt the character and fabric of residential neighborhoods.” It is important to understand that not all short-term rentals are disrupting “the fabric of residential neighborhoods”, but it is widely recognized that some are. This is because proper enforcement has not been done. To place ALL short-term rentals in harm's way because of a few bad apples is overreacting and could cause economic harm. We feel counties need to expand their enforcement efforts to protect neighborhoods where harm is being created and in doing enforcement would generate revenue through fines. There are many illegal short-term rentals who are promoting their units outside of Airbnb and VRBO and we need to look at enforcement beyond those two platforms. Many units are rented by private brokers and therefore, more consideration should be given to complaints that come in for properties that are not listed on those two platforms.

For these reasons, we **strongly OPPOSE SB2919 SD2 HD1** and respectfully request it be deferred.

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.

April 2, 2024, 4 p.m.
Hawaii State Capitol
Conference Room 308 and Videoconference

To: House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice-Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: SB2919 SD2 HD1 — RELATING TO PROPERTY

Aloha Chair Yamashita, Vice-Chair Kitagawa and other members of the Committee,

The Grassroot Institute of Hawaii would like to offer its comments on [SB2919 SD2 HD1](#), which would expand the zoning power of the counties in an effort to overcome the effect of a court decision that frustrated Honolulu's effort to limit short-term rentals.

In addition to specifically stating that the counties would be allowed to phase out transient vacation rental units, SB2919 SD2 would allow county zoning ordinances to dictate “the time, place, manner, and duration in which uses of land and structures may take place.”

We at Grassroot fear that the overly broad zoning powers that would be created under this bill would negatively affect both the housing market and the economy.

The intention of the bill is to make it possible for counties to heavily dictate timing and use of residential property, but broadening the zoning powers of the counties could result in additional regulations that stifle housing growth.

In addition to being overly broad, SB2919 SD2 HD1 could be ineffective in achieving its primary goal. The court's decision in Hawaii Legal Short-Term Rental Alliance v. City and County of Honolulu¹ was decided based

¹ [No. 22-cv-247-DKW-RT](#) (D. Haw. Oct. 13, 2022).

on Hawaii Revised Statutes Section 46-4, but it does not follow that a change to that Section would be sufficient to eliminate short-term rentals.

The jurisprudence in this space continues to develop, but courts have been clear that the issue touches upon constitutionally protected property rights. Hawaii's courts have specifically noted that preexisting uses are vested rights protected by the due process provisions in both the Hawaii and U.S. constitutions and thus cannot be abrogated by later zoning ordinances.²

In other words, this bill would give the counties more zoning powers, but would not end litigation over short-term rentals.

Moreover, the assumption that greater regulation or a phase-out of short-term rentals is a desirable goal is not supported by an impartial analysis of the visitor industry and the actual participants in the STR economy.

A 2020 study commissioned by the Hawaii Tourism Authority found that STRs added \$6 billion to the state's economy and sustained 46,000 jobs.³ The survey also found that "30% respondents reported that if there was not a home and vacation rental option during their recent stay in Hawaii, they would not have made the trip."

Thus, the removal of STRs from the vacation unit inventory could have a cascading effect, causing damage to other tourist-focused businesses, such as car rental agencies, restaurants and tour operators, as well grocery and other retail outlets and workers employed in cleaning, repairing and maintaining the STR units.

As for possible legal challenges, the U.S. Supreme Court has in recent years indicated its willingness to uphold property rights against government regulations. In *Tyler v. Hennepin County*⁴ and *Timbs v. Indiana*,⁵ the Court sided with property owners on Fifth Amendment and Eighth Amendment grounds, respectively.

Given the uncertain legal and economic considerations in this approach to the issue of short-term rentals, we suggest the Committee defer SB2919.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

² [Waikiki Marketplace v. Zon. Bd. of Appeals](#), 86 Haw. 343, 949 P.2d 183 (Haw. Ct. App. 1997)

³ "[Hawaii's Home and Vacation Rental Market: Impact and Outlook](#)," prepared for the Hawaii Tourism Authority by JLL's Hotels & Hospitality Group, April 20, 2020, p. 10.

⁴ "[Tyler v. Hennepin County, Minnesota, et al.](#)" Supreme Court of the United States, May 25, 2023.

⁵ "[Timbs v. Indiana](#)," Supreme Court of the United States, Feb. 20, 2019.

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Testimony by Suzanne Young, CEO
Honolulu Board of REALTORS®

In Opposition to SB 2919, SD2, HD1
Relating to Property

COMMITTEE ON FINANCE

Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

Tuesday, April 2, 2024 @ 4:00 PM
Conference Room 308, Via Videoconference
Hawaii State Capitol; 415 South Beretania Street

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the committee:

Thank you for the opportunity to testify in opposition to SB 2919, SD2, HD1 which allows, in part, the counties to enact a zoning ordinance to amortize nonconforming single-family transient vacation rental units.

The Honolulu Board of REALTORS® (HBR) on behalf of our over 6,700 members and its City Affairs Committee would like to offer context to our opposition to SB 2919, SD2, HD1.

Transient vacation rentals (TVR) are lodging that provide guest accommodation for less than 30 consecutive days. To preserve housing for long-term residents, TVRs are only permitted in resort-zoned areas and those that have been issued a non-conforming use certificate (NUCs). These “grandfathered” TVRs have been in operation since prior to October 22, 1986, and no new NUCs are being issued.

Forced amortization is not necessary as we have witnessed natural attrition of NUCs. As such, this measure will not garner a significant conversion to long-term use and will instead risk legal challenges for these “grandfathered” properties on the basis that preexisting lawful uses of property are generally considered to be vested rights that zoning ordinances may not revoke.

We continue to strongly support enforcement measures that address the illegal short-term rentals that exist and negatively impact our residential communities.

Thank you for allowing the opportunity to provide testimony on SB 2919, SD2, HD1.

SB-2919-HD-1

Submitted on: 4/1/2024 2:36:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Kleven	Kauai Oceanfront Dream LLC	Support	Written Testimony Only

Comments:

As Transient Vacation Rental Operators ourselves, given the sustained housing shortage and to help assure homeowner peaceful enjoyment of their property I believe that the Counties should have the right to specify which areas on their island are allowed to operate Short Term Rentals (Vacation Rentals) as defined by lease terms of less than 30 days. For example, Kauai having designated the areas of Poipu and Princeville for Vacation Rentals has worked very well.



INTERNATIONAL LONGSHORE & WAREHOUSE UNION

LOCAL OFFICE • 451 ATKINSON DRIVE • HONOLULU, HAWAII 96814 • PHONE 949-4161

HAWAII DIVISION: 100 West Lanikaula Street, Hilo, Hawaii 96720 • **OAHU DIVISION:** 451 Atkinson Drive, Honolulu, Hawaii 96814
MAUI COUNTY DIVISION: 896 Lower Main Street, Wailuku, Hawaii 96793 • **KAUAI DIVISION:** 4154 Hardy Street, Lihue, Hawaii 96766
HAWAII LONGSHORE DIVISION: 451 Atkinson Drive, Honolulu, Hawaii 96814

LOCAL 142

April 1, 2024

The Thirty-Second Legislature
Regular Session of 2024

HOUSE OF REPRESENTATIVES

Committee on Finance

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

State Capitol, Conference Room 308 & Videoconference

Tuesday, April 2, 2024, at 4:00 p.m.

STATEMENT OF THE ILWU LOCAL 142 IN STRONG SUPPORT OF SB2919 SD2 HD1 RELATING TO PROPERTY

The ILWU Local 142 represents 16,000 members across Hawai'i. We are in **Strong Support** of SB2919, which gives the counties greater authority to define and manage short-term rentals on their islands. We are particularly invested in combating the current housing crisis, which is causing an exodus of hard working generational local families from our homeland and short-term rentals a part of this problem.

Short-term rentals generate an average of four times the revenue that a long-term rental generates. This sets up each home in Hawai'i, each neighborhood in Hawai'i, as a sitting duck for outside investors who only wish to extract profit and have little care for our communities or our local families. Short-term rentals decrease the housing inventory in Hawai'i, increase the cost of housing in Hawai'i, and compromise the cohesion and safety of our neighborhoods.

Too many of our neighborhoods have become overrun with short-term rentals and tourists. While our state depends on tourism for jobs and revenue, short-term rentals offer little jobs while sprawling tourists from resort areas into our backyards. If we want to cool local resentment for tourism overall, we must take action to control short-term rentals.

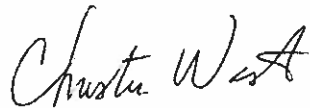
While those who are invested in short-term rentals in our state may frame the ILWU's support for this bill as a matter of interests in hotel occupancy, it is important for lawmakers to know that housing has always been a focus of the ILWU's work to support the working-class of Hawai'i.

The ILWU established housing committees in the 1950s to give workers a voice for issues related to their plantation housing. The late Ah Quon McElrath convened an ILWU housing conference in the 1970s to address the working-class people's struggles for affordable housing

amidst booming development. Many workforce housing developments across the islands were established through the work of the ILWU, including the Jack Hall Housing in Waipahu and even the Kelaweia Mauka neighborhood of Lahaina.

In alignment with our communities, we are concerned with both pono tourism management and with addressing Hawai'i's housing problems. Giving counties the appropriate authority to manage housing issues on their islands is a move in the right direction to address both. We appreciate the urgency that SB2919 gives to the situation. We stand firmly in support of SB2919.

Mahalo for the opportunity to testify,

A handwritten signature in black ink that reads "Christian West". The signature is written in a cursive, flowing style.

Christian West
President, ILWU Local 142



04/01/24

415 South Beretania Street
Honolulu HI 96813

RE: SB-2919 SD1 HD1 Oppose

Aloha e Committee,

Thank you for taking the time to review this bill and take testimony. Maui Vacation Rental Association (“MVRA”) represents thousands of residents who own, manage and work within the legal short-term (STRs) rental industry. We strongly oppose SB2919 SD1 HD2.

We believe in a managed hospitality industry for Maui. We also support fair taxation and regulations of vacation rental properties. However we see issues with SB2919 hurting legally operating small business operators in Maui County. We believe you will also oppose SB2919 when you understand the immediate implications for housing, local jobs, the economy and tax revenue for that State of Hawai`i and Maui County.

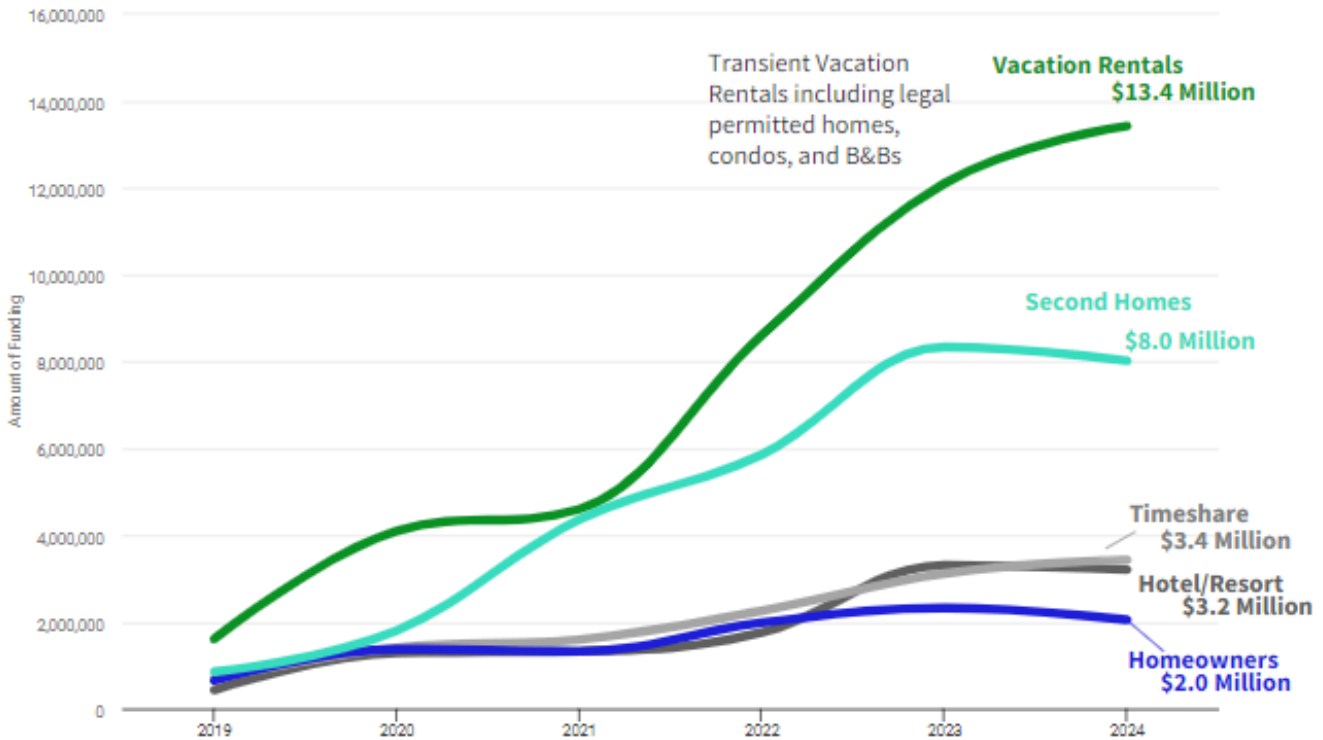
SB2919 would give the counties authority to enact ordinances to eliminate or phase out short-term rentals in any zoning classification.

Maui has 13,744 legal short term rental properties, 8,336 hotel rooms, and 2,475 timeshare units in our diversified visitor accommodation industry. Each provides the potential Maui visitor different options. The clear differentiation regarding the legal short term rental properties is that thousands of them are owned by Maui County families and thousands more are employed directly by the industry or benefit from the industry. **This is one of the only ways local families can directly participate in and benefit from the hospitality industry.**

Short term rentals will contribute \$13.4 Million in revenue to the Affordable Housing Fund, the largest contribution of all the classifications, and the largest contribution to date. Over the last 5 years the **short term rental classification has generated \$45 million dollars for the affordable housing fund**, the largest contribution by far, and more than the other accommodation sectors combined.

Who Pays for Maui's Affordable Housing Fund?

FY2019-2024
Review



Vacation Rentals have contributed a total of \$45.0 million from 2019-2024

Second Homes have contributed a total of \$29.6 million from 2019-2024

Timeshares have contributed a total of \$12.6 million from 2019-2024

Homeowners have contributed a total of \$9.8 million from 2019-2024

Hotel/Resorts have contributed a total of \$11.6 million from 2019-2024

Source: Maui County Real Property Tax

Many owners voluntarily offered their properties to those in immediate need at the outset of the emergency out of the kindness of their hearts without any thought or ask to any form of compensation. Additionally, there are thousands of individual owners who voluntarily on their own or in conjunction with their local management companies who have facilitated housing through Red Cross, FEMA, and/or other entities. What would Maui County have done immediately following the fire if STRs did not exist? How would we have housed our displaced residents?



STRs are not just for the tourism industry - they also provide furnished, temporary housing to residents and their families.

Residents

- Inter-island neighbors visiting for work or family events
- Residents displaced from emergency events such as the Lahaina and Kula fires
- Residents needing temporary housing due to life's transitions
- Newly housed residents that cannot qualify for an annual lease
- Residents needing a vacation or place to gather for events

Non-Residents

- Traveling Nurses and other medical personnel
- Emergency contractors and other vendors
- Family & friends visiting for various life events

These residents and important visitors cannot afford the average hotel rate of \$700/night. They choose short-term rentals for affordability and also the livability versus a hotel room.

This bill targets the estimated 18,000 jobs that STRs provide across Maui County and the 49,000 statewide. These jobs include cleaners, property managers, contractors, and their families. Where is the data that shows those impacts? What will happen to those residents who no longer have a source of income? **How many jobs and taxes would be potentially lost with a measure like this?**

Many of the condo buildings operating on Maui were built in the 1970's and 1980's and have large monthly maintenance costs. If the property owners cannot continue to fund the high maintenance costs of these buildings there could be unintended consequences for the State in this bill. There could be significant neighborhood blight as a result of people not being able to afford the cost associated with the upkeep and maintenance of these aging properties.

When it comes to legislation that could affect the livelihood of thousands of its constituents (actual voters), the State should be considering factual and data driven based decisions. At the very least, the State should be supporting this legally operating small business sector that offers such a vibrant and diverse ecosystem for our residents and visitors, while our county and state are already leveraging significant taxes on these businesses to benefit our local economy. The legal short term vacation rentals



already generate the largest amount of tax revenue for Maui County - more than any other category by a very large margin.

Maui County’s operating budget has increased to over 1 Billion dollars in its current fiscal year. Most of the county’s revenue comes from the short term rental classification, and the small businesses creating this revenue. The county of Maui has long had a strategy of taxing the Short Term Rental Classification in order to keep taxes low for the residents. A big part of this strategy is by means of the property assessment values that the County assessment division attributes to these properties. Looking at the top 30 real property tax revenue generating legal visitor accommodations in Maui county, you can see that the assessment of many short term rentals result in a higher rate and tax revenue than many of our hotel properties.

The county increased their budget this year by \$102M, and 52% of that increase or \$53M came from increased revenue in the TVR/STR category. The next highest increase was \$7.5M in the Hotel/Resort classification (7 times less than the STR increase).

The short term rental classification generated 40% of real property tax revenue this fiscal year (FY23-24), or \$213.7M. This amount represents 20% of the county operating budget. This is the largest single revenue generating category in the real property tax classifications. **What this demonstrates is that the county depends on the tax revenues of properties like the ones operating in the districts that would be affected by this measure.**

When looking at average tax revenue generated on a per Unit basis, the top 13 properties are all legal vacation rental properties. The top Hotel, the Kea Lani falls behind all of these at number 14 on this same list.

TOP REVENUE GENERATING SHORT TERM RENTAL AND HOTEL PROPERTY, MAUI COUNTY 2023

	PROJECT PROPERTY	TOTAL ASSESSED VALUE	AVE. PROPERTY TAX REVENUE	AVE. ASSESSMENT PER UNIT	AVE. TAX REVENUE PER UNIT	
1	WAILEA BEACH VILLAS	474,547,900	5,623,393	4,943,207	58,577	Largest Ave/Unit
2	KAPALUA BAY CONDO	487,731,400	5,779,617	4,601,240	54,525	

M A U I
VACATION RENTAL
 ASSOCIATION

3	WAILEA POINT I, II, III	360,302,000	4,269,579	3,498,078	41,452	
4	HOOLEI	398,574,400	4,723,107	3,267,003	38,714	
5	KAANAPALI ALII	657,716,900	7,793,945	2,391,698	28,342	
6	WAILEA ELUA I, II	354,432,200	4,200,022	2,286,659	27,097	
7	HONUA KAI	1,179,135,500	13,972,756	1,602,086	18,985	Largest by Total Rev.
8	PUAMANA	296,446,000	3,512,885	1,585,273	18,785	
9	KAPALUA BAY VILLAS	175,535,500	2,080,096	1,244,933	14,752	
10	WAILEA EKAHI I, II, III	245,631,400	2,910,732	1,175,270	13,927	
11	MAUI KAMAOLE I, II, III	226,794,000	2,687,509	944,975	11,198	
12	PALMS AT WAILEA I	139,192,700	1,649,433	927,951	10,996	
13	WAILEA EKOLU	135,207,100	1,602,204	913,561	10,826	
14	KEA LANI	410,022,500	4,817,764	911,161	10,706	Largest ave/unit hotel
15	THE RIDGE	139,597,000	1,654,224	867,062	10,275	
16	MANELE BAY HOTEL	195,762,900	2,300,214	829,504	9,747	
17	GRAND WAILEA	621,756,100	7,305,634	797,123	9,366	Largest Hotel by Total rev
18	KAPALUA GOLF VILLAS	146,211,800	1,732,610	786,085	9,315	
19	FOUR SEASONS	297,937,400	3,500,764	784,046	9,213	
20	GRAND CHAMP VILLAS	142,419,600	1,687,672	757,551	8,977	
21	PAPAKEA	238,776,500	2,829,502	655,979	7,773	
22	KAMAOLE SANDS	278,724,700	3,302,888	633,465	7,507	
23	ANDAZ	205,360,300	2,412,984	635,790	7,471	
24	HALE KAAANAPALI	161,065,400	1,908,625	624,284	7,398	
25	SHERATON	296,801,600	3,487,419	584,255	6,865	
26	ROYAL LAHAINA	254,303,200	2,988,063	580,601	6,822	
27	HYATT	386,224,700	4,538,140	479,187	5,630	

M A U I
VACATION RENTAL
 A S S O C I A T I O N

28	WAILEA BEACH MARRIOTT	238,336,000	2,800,448	438,118	5,148	
29	WESTIN MAUI	292,717,300	3,439,428	385,662	4,532	
30	RITZ CARLTON	163,362,000	1,919,504	350,562	4,119	
	Source: Maui County Real Prop Tax	Legend:		=STR		=Hotel

One of the tools used by the assessment division is the fact that the short term rental properties are sold more frequently on the **real estate** market and then these **sales** are factored into the taxable value of the properties. Thus the assessed values in the short term rental class are some of the top real property tax valued properties on the island, generating most of the tax revenue for the county.

Maui County has added the 3% TAT tax for the county as of November 2021 and these operators and visitors have fostered this increase generating millions of dollars for Maui county.

Maui County has had laws and regulations in place that closely regulate our short term rentals, and there is strict enforcement of these rules, keeping the illegal rentals numbers very low. In the January 2023 report, there were 25 complaints which resulted in three notices of warnings and zero notices of violations. The vacation rental industry is highly regulated and enforced in Maui County. The community leverages the existing legal operations for benefits to the community as whole.

Our visitor industry benefits from the diversity vacation rentals offer. Having a short term rental is one of the only ways local residents can have direct participation in the hospitality and accommodations sector. There are thousands of small businesses in Maui that benefit from this legal established use in the county. The properties in this district accommodating our visitors and residents are an important legitimate part of our hospitality industry. The guests that seek out these experiences and want more local authentic culture are the educated guests Maui wants.

The legal short term rentals in Maui County are a significant and beneficial part of our hospitality industry, and have been for many years. It does not make sense for the State to create laws that would shut down legal operating small businesses without doing plenty of research first.

What Hawai`i needs most is clear, consistent, fair rules for business to thrive. Instead, this bill would have each County able to eliminate existing property rights without compensation (so making it legal



for Counties to do what would now be considered an illegal taking of private property). The most likely result will be confusion, litigation, and illegal attempts by county officials to eliminate productive, legal, tax and local-job generating businesses. Given the current budget, gutting funding categories for the State and Counties county is contrary to their fiduciary duty. Please vote no on this bill SB2919.

Thank you for considering my testimony. If you have any questions or clarifications please feel free to contact me.

Best,

Maui Vacation Rental Association

Visitor Accommodation Maui County Real Property Tax Revenue Fiscal Years 2020, 2021, 2022, 2023, 2024



Source: Maui County Real Property Tax

April 2, 2024



Subject: Senate Bill 2919, SD2, HD1, Relating to Property
HEARING: Tuesday, April 2, 2024, at 4:00 p.m.

The Honorable Kyle T. Yamashita, Chair
House Committee on Finance
State Capitol, Conference Room 308 & Videoconference

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The West Hawaii Association of REALTORS® (WHAR) is testifying on behalf of its over 950 members and affiliated business partners in **opposition** to Senate Bill 2919 SD2, HD1, which allow counties to enact a zoning ordinance to amortize or phase out transient vacation rental units. Expands the scope of the transient accommodations tax law to include certain shelters and, beginning 1/1/2025, vehicles with sleeping accommodations. Effective 7/1/2040.

WHAR promotes housing opportunities across all density levels, striving for socio-economic diversity in both ownership and availability and WHAR is also focused on supporting the right of property owners to utilize their property to the highest and best use within the limits of all local and state laws and regulations and while respecting the same rights of all property owners to quiet enjoyment of their property.

Right now, Hawaii County is considering additional bills to address vacation rentals, or as Hawaii County references them, Transient Accommodation Rentals (TAR). WHAR is actively engaged in these proposals and granting the county additional powers to phase out legally operating TAR's is not necessary. Enforcement of illegal short-term rentals is a county issue and does not require this bill to ensure enforcement. We believe this measure will not have the impact that its advocates believe it will as illegal rentals will continue to operate outside local regulation.

Families displaced due to damage and remediation work, pest tenting, home renovations, or those travelling for work, receiving medical care, or visiting family are examples of locals who need and use temporary accommodations. These residents may not want, or be able to, afford the high cost of a hotel stay. Short and mid-term rentals are a solution, and a legitimate part of the housing needs of a vibrant community.

WHAR has concerns that this proposed measure would allow the county to eliminate an entire segment of our housing market. Short and mid-term term rentals are a unique product in the marketplace and allow the flexibility that guests/families/renters etc., greatly appreciate.

Respectfully and with aloha,

Linda Swanson

2024 Board President

West Hawai'i Association of REALTORS®

Jennifer Wilkinson

2024 Government Affairs Committee Chair

Taylor Rodamer

Association Executive



Tuesday, April 2, 2024, 4:00 P.M.

State of Hawai'i

House Committee on Finance
State Capitol, Conference Room 308

**TESTIMONY OF IVAN LUI-KWAN IN SUPPORT OF SB2919 SD2 HD1
RELATING TO PROPERTY**

Aloha Chair Yamashita, Vice Chair Kitagawa and Committee Members:

I am legal counsel for the Hawaii Hotel Alliance. Thank you for the opportunity to submit testimony in **support** of SB2919 SD2 HD1.

SB2919 SD2 HD1 presents the straightforward question of policy:

Does the legislature wish to continue the 1980¹ policy of limiting amortization to only non-residential and non-agricultural zoned areas, knowing that courts are relying on this limitation to defeat the counties' zoning ordinances?

Courts *interpret* the law and are generally constrained to interpreting the language and intent of a statute. In contrast, the legislature *says* what the law is (*i.e.*, language and intent). This bill makes the legislature's intent and HRS § 46-4(a)'s language clear and empowers the counties to lawfully carry out their home rule authority as they regulate short-term rentals.

In *Hawaii Legal Short-Term Rental Alliance v. City and County of Honolulu* (“**HLSTRA**”), the U.S. District Court for the District of Hawai'i was seeking to ascertain the intention of the legislature in HRS § 46-4(a). In its October 13, 2022 Order, the U.S. District Court stated: “In deciding whether Ordinance 22-7 conflicts with Hawaii Revised Statutes Section 46-4(a), the Court first construes the relevant provision of the statute . . . When construing a statute, our foremost obligation is to ascertain and give effect to the intention of the legislature, which is obtained primarily from the language contained in the statute itself.”

The U.S. District Court was seeking to ascertain the meaning of the words in HRS § 46-4(a): “residential use”. In its December 21, 2023 Order, the Court stated: “Short-term rentals are residential in nature as tenants use properties for ordinary living activities.”

In HLSTRA, the U.S. District Court for the District of Hawai'i then decided that HRS § 46-4(a) preempted (*i.e.*, did not allow) a portion of the City and County of Honolulu's Ordinance 22-7, which sought to phase out short-term rentals. The Court reasoned that: 1) short-term rentals were a residential use (which could not be amortized or phased out under HRS § 46-

¹ The relevant portion of HRS § 46-4(a) was enacted by Act 203, SLH 1980.

4(a)); and 2) amortization or phasing out could only be done in commercial, industrial, resort, and apartment zoned areas.

SB2919 SD2 HD1 provides that “transient vacation rental units may be amortized or phased out in an area of any zoning classification.”

Some opponents of the bill argue that nonconforming uses are “vested rights” and must be allowed to continue indefinitely. This is incorrect and is belied by the fact that HRS § 46-4(a)’s existing amortization provision is lawful and has been for 44 years. Although nonconforming uses generally cannot be prohibited immediately, they can lawfully and constitutionally be amortized, or phased out, over a reasonable period of time.

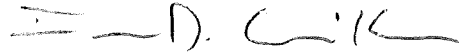
When Act 203 was enacted more than 40 years ago, short-term rentals and their online platforms were not in existence. As we’ve seen since enactment of Act 203, short-term rentals, *i.e.*, transient accommodations, disrupt the character and fabric of our neighborhoods. They are inconsistent with land uses that are intended for residential and agricultural zoned areas, increase the price of housing, and exacerbate the housing shortage.

Opponents have also argued that the bill would be preempted by the Communications Decency Act and would violate the Hawai‘i and U.S. Constitutions. Although the portions of the bill relevant to those arguments were removed in the SD1, those arguments also fail under the U.S. Court of Appeals for the Ninth Circuit Court’s ruling in *Homeaway.com, Inc. v. City of Santa Monica*, 918 F.3d 676 (9th Cir. 2019) which upheld Santa Monica’s ordinance which regulates short-term rentals. This 9th Circuit Court decision, filed March 13, 2019, is the benchmark court decision in short-term court actions throughout the United States upholding municipal ordinances enforcing regulations of short-term rentals, particularly in lawsuits involving legal challenges by online platforms to municipal ordinances based on the Communications Decency Act, the Stored Communications Act, and Fourth Amendment and First Amendment of the U.S. Constitution. A portion of the 9th Circuit Court’s opinion is especially appropriate to the online platform’s opposition to the bill: “We have consistently eschewed an expansive reading of the statute [Communications Decency Act] that would render unlawful conduct ‘magically . . . lawful when [conducted] online,’ and therefore ‘giv[ing] online businesses an unfair advantage over their real-world counterparts.’ . . . Like their brick-and-mortar counterparts, internet companies must also comply with any number of local regulations concerning, for example, employment, tax, or zoning.”

In brief, the legislature is well within its authority to allow the counties to enact ordinances phasing out short-term rentals, just as it was when it added the existing amortization language in 1980.

Thank you for the opportunity to provide testimony in support of SB2919 SD2 HD1.

Mahalo nui,

A handwritten signature in black ink, appearing to read "Ivan M. Lui-Kwan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ivan M. Lui-Kwan
Dated: April 1, 2024

SB-2919-HD-1

Submitted on: 4/1/2024 3:42:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Darin Ding	Deep Blue Builders	Oppose	Remotely Via Zoom

Comments:

As someone deeply entrenched in the short-term rental industry, I stand in firm opposition to this bill. Short-term rentals not only provide an avenue for homeowners to earn additional income, but they also offer travelers unique and personalized accommodations that may not be available through traditional lodging options. This bill threatens to stifle innovation and restrict individual freedoms, ultimately harming both hosts and guests alike. Let's continue to support the vibrant short-term rental community and oppose measures that undermine its growth and prosperity.

SB-2919-HD-1

Submitted on: 4/1/2024 3:49:27 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JoAnn Chisholm Dueno	Hearts for Animals Wellness Center	Oppose	Written Testimony Only

Comments:

We have a non profit animal sanctuary and healing center. We offer temporary housing for our participants who in turn help us help the animals. Being forced to rent long term or not at all is absurd and unjust.

We have personally experienced renters who came in and destroyed our homes and do not wish to do that any further and as property owners and managers We have the right to protect our property and utilize as we see fit. There must be a win win solution. Protect the property owners who are in and serving the community .

Mahalo



Maui Hotel & Lodging
ASSOCIATION

Testimony of
Lisa H. Paulson
Executive Director
Maui Hotel & Lodging Association

House Committee on Finance
Bill 2919 SD2 HD1: Relating to Property

April 2, 2024, 4:00 pm
Conference Room 308

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry for Maui County. We represent over 180 property and allied business members and 22,000 employees. **MHLA OFFERS COMMENTS for Senate Bill 2919 SD2 HD1**, which allows counties to enact a zoning ordinance to amortize or phase out transient vacation rental units. Expands the scope of the transient accommodations tax law to include certain shelters and, beginning 1/1/2025, vehicles with sleeping accommodations.

MHLA wants to thank the Committee for taking on this challenging, delicate manner. This is about housing. Housing for our workforce, housing for our residents. In a recent report from the independent short-term rental data mining platform “All The Rooms,” there were more than 89,000 listings for short-term rentals in Hawaii in the last 12 months alone (<https://www.alltherooms.com/>). This is more than double our state’s entire hotel room inventory.

MHLA understands the different needs of our travelers and believes that short-term rentals should only exist in resort-designated areas where they are deemed legal, and they can be held accountable for the same taxes, rules, and regulations that hotels and resorts must adhere to. Our neighborhoods must be returned to their intended purposes, for our residents to live.

We would ask that this Bill look at ways to enable stricter regulation and enforcement against illegal short-term rentals.

We are providing comments on the Bill in support of our workforce and their housing needs.

Thank you for the opportunity to provide this testimony.

SB-2919-HD-1

Submitted on: 4/1/2024 6:04:14 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
TIFFANY LYNNE BURBIDGE	Vertigo associates LLC	Oppose	Written Testimony Only

Comments:

I do not agree with phasing out transient vacation rentals. We have had this rental for many years. We have always abided by the laws. We rely on this source of income pay our taxes etc. taking this away from us would Devistate our family. We grow fruit on our property as well. We need supplemental income of the rental.

SB-2919-HD-1

Submitted on: 4/1/2024 6:39:22 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Margaret Piaskoski Wills	Kapua Gulch Farms, LLC	Oppose	Written Testimony Only

Comments:

Thank you for the opportunity to comment on SB2919. I am opposed to this bill, because it would not only eliminate an important supplementary income source but also will shut off a people-to-people connection that educates visitors about Hawai'i's aina and our food sustainability goals.

As small farmers on the Big Island, we raise cattle, sheep and goats on a pasture next to our home. We have an ohana studio of 350-square-feet that is truly an ohana for visiting relatives. At times when family members are not staying there, we decided to try renting the unit to visitors who want to learn about small-scale farming in Hawai'i and the important connection of Hawaiian residents to the sacred land.

The income we make from this helps to pay for fencing, irrigation, feed and a host of other daily living expenses related to small-scale farming. In previous years, we decided to try to diversify our farming practices because the income from agricultural products alone was insufficient. We have planted more than 200 trees to diversify into agroforestry and other crops. Short-term rentals for farm stays has been a very popular draw for our farm. Guests tour our farm, learn about Hawaiian agriculture -- the challenges and the fruits of our labor.

While staying at our ohana, they buy groceries from the store across the street, buy souvenirs from local shops and eat at local restaurants. They contribute to the economy while learning about the values of the local community, interacting with local residents. Some of them decide to move here because they feel an affinity with the local community. They become Hawai'i taxpayers, supporting our social fabric and economic goals.

Do we want to snuff this out? That will be the effect of this bill. We know at least 16 other families -- Kupuna like us -- who are in a similar situation. Please don't inflict another wound on the Kupuna and local families trying to make a living while educating tourists about our values. Reject this bill!



HAWAI'I LODGING & TOURISM
ASSOCIATION

**Testimony of Mufi Hannemann, President & CEO
Hawai'i Lodging & Tourism Association**

**House Committee on Finance (FIN)
SB2919, SD2, HD1 RELATING TO PROPERTY
Tuesday, April 2, 2024
Position: SUPPORT**

Chair Yamashita and members of the Committee,

On behalf of the Hawai'i Lodging & Tourism Association, the oldest and largest private sector tourism organization in the state, we express our full support for SB2919, SD2, HD1 RELATING TO PROPERTY. This bill would allow counties to enact a zoning ordinance to amortize or phase out transient vacation rental units. It would expand the scope of the transient accommodations tax law to include certain shelters and, starting January 1, 2025, vehicles with sleeping accommodations.

The Hawai'i Lodging & Tourism Association – the state's largest and oldest private sector visitor industry organization representing more than 50,000 hotel rooms and nearly 40,000 lodging workers – has long prioritized the regulation of short-term rentals (STRs) across our state.

Short-term rentals in neighborhoods bring several drawbacks, including disruption within communities due to frequent turnover of renters, increased noise levels, and other potential disturbances. These rentals also strain local infrastructure, pose regulatory challenges in enforcement, and raise safety concerns. Moreover, the conversion of properties into short-term rentals reduces the availability of housing for long-term residents, driving up rental and purchasing prices for local renters or buyers, and negatively impacting property values. This issue is particularly prevalent now, exacerbating the challenges of long-term housing in the overall recovery of West Maui.

We have always held the view that STRs should operate in appropriate areas such as hotel and resort districts where they are deemed legal, and can be held accountable to the same taxes, rules, and regulations that hotels and resorts are required to adhere to. As progress is made in reeling in short-term rentals within our residential neighborhoods, this clarification of jurisdiction will help strengthen our county governments' ability to enforce their rules and laws.

We appreciate the diligent effort that has gone into this measure thus far, and we urge you to pass it out of this committee.

Mahalo for the opportunity to offer our testimony.

SB-2919-HD-1

Submitted on: 4/1/2024 8:40:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sean ODonnell	Kinas Mahi Condo Rentals LLC	Oppose	Written Testimony Only

Comments:

Aloha distinguished readers,

I write you today in opposition to this bill. It is the first step to hurting our way of life. We purchased this short term rentals company 8/1/2023. It supports my family as well as the multiple families of the small business I employ to clean and maintain these properties to the extremely high levels needed. There are many far reaching and negative effect that pushing away our mains source of income for this island will have on this community. Many more will not be able to pay for housing. The damage will be widespread, instead of helping the community with building neighborhoods for locals, this bill will be the first step in damaging our community and forcing infighting- when there is a way for everyone to get what they want. Please let us survive, my 6 month old identical twin baby boys depend on it!

Mahalo for your attention and caring,

Sean ODonnell

SB-2919-HD-1

Submitted on: 4/2/2024 10:16:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenna Reed	Help Maui Rise	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

The Help Maui Rise Team

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATIONS TAX; Include Mobile Homes and Boats

BILL NUMBER: SB 2919 SD 2 HD 1

INTRODUCED BY: House Committees on Housing and Tourism

EXECUTIVE SUMMARY: Expands the zoning powers of counties. Expands the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations.

SYNOPSIS: As it relates to the tax laws, amends section 237D-1, HRS, to add to the definition of “transient accommodations” subject to the TAT, a “shelter,” or “vehicles with, or advertised as including, sleeping accommodations.”

EFFECTIVE DATE: July 1, 2040; provided that the TAT change shall take effect on January 1, 2025.

STAFF COMMENTS: Current law defines “transient accommodations” as the furnishing of a room, apartment, suite, single family dwelling, or the like to a transient for less than one hundred eighty consecutive days for each letting in a hotel, apartment hotel, motel, condominium or unit as defined in chapter 514B, cooperative apartment, dwelling unit, or rooming house that provides living quarters, sleeping, or housekeeping accommodations, or other place in which lodgings are regularly furnished to transients.

HD1 amends the section 237D-1 definition of “transient accommodations” to include shelters and vehicles with sleeping accommodations. Sleeping on a vehicle, such as a mobile home or a boat, apparently have not been put in the TAT crosshairs before. However, it strikes us that an interpretation of existing language to include vehicles is plausible. A bill to clarify the language might be unnecessary.

Digested: 4/2/2024

SB-2919-HD-1

Submitted on: 3/29/2024 6:39:58 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Junior	Puakukui Owners/Residents Neighborhood Organization	Support	Written Testimony Only

Comments:

Aloha State of Hawaii,

We are writing in **STRONG SUPPORT** of SB2919 SD2 HD1 to allow the Counties to better self govern. We understand the counties will be allowed to make decisions in the best interest of their constituents. We hope the state can see that to allow the countries the ability to evaluate and set their own zoning, it will be best for the citizens of those counties.

The opponents to this bill are making crazy assumptions and they should take up their concerns with their County when/if anything is actually going to change. Right now the way this bill is presented, all the state is doing is giving the counties the ability to better control the zoning issues of their own county. This is evident by all the support this bill has received.

Please let each county do what is in the best interest of their people. The State has many things to worry about, shifting this back to the county is the right course of action. If the County decides to make changes, we can then talk to our local representatives. Please allow the Counties to have the ability to evaluate and make our own zoning decisions.

Mahalo for considering allowing Counties to make their own choices and decisions regarding zoning.

Junior

SB-2919-HD-1

Submitted on: 3/30/2024 6:44:43 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Keefe	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee on Finance,

Thank you for hearing this bill. My name is Jackie Keefe and I am a resident of Lahaina.

I am writing in strong support of SB2919 SD2.

Maui County is desperately in need of the authority to restructure our zoning laws, especially regarding short-term rentals (STRs). The need is likely different on each island, which is why the passage of this bill is so important.

We have heard a lot about the shortage of housing, especially affordable housing, in Hawai'i in recent years. The thing is, though, we don't have a shortage of housing. We have a surplus of STRs. Areas that used to entirely house our working people have been sold off over the years and have brought us to this breaking point.

You, no doubt, will and have heard a lot from STR owners about how a bill like this will affect them. What they fail to recognize is that when you treat a piece of property like a business, you are subject to market and other changes - just like a business would be. You aren't immune from business losses just because you bought a piece of property in Hawai'i and those seem to always be increasing in market value. We always hear about how this would hurt the owners' bottom lines, but far less discussion about how this is one of the main reasons that we lose more and more local families to the continent each year. Working families, generational families, kanaka families are having to move away from the place they love most because the cost of living - and specifically housing - has gotten out of control.

We cannot continue to have the conversation shift towards the need to "build more housing," when we don't even have adequate water for the housing that we do have. The conversation needs to center around how to regulate the STR industry, and relatedly, overtourism. STRs also negatively affect the bottom line of the counties for multiple reasons. Most do not offer concierge services, so people go snorkeling in murky water, swimming in tides they're uneducated about, and find guidance in books like "Maui Revealed" for how to guide yourself. This is dangerous for them, and costs us as taxpayers when they need to be rescued.

STRs being dominated by mainland owners is also a problem for the ecology of our island. When the HOA is controlled by people without island knowledge, they make decisions like building sea walls rather than sand dunes. They plant lawns that need watering and mowing

rather than native gardens. They opt not to transition to renewable energy because of the "endless resources" mainland mentality.

STR properties also do not offer shuttle services, so we have more cars on the roads. On west Maui, our parking lots are full at our local parks and our one, one-lane road into and out of Lahaina is always congested. Not only do we have Lahaina families who have been forced to move to the other side even though they still work in Lahaina, but now each tourist family rents a car. We still do not have proper evacuation routes within or without west Maui, and the problem is exasperated by tourism.

Businesses are struggling to survive on Maui since the August wildfires. They've had it hard enough, starting 4 years ago with the impacts of COVID. But now, we're losing our entire workforce because there is nowhere for them to live. We have had over 1,500 families move away (and that number is from weeks ago) since the fires, and this will continue to get worse. Until we make these STRs that used to house our working class available as housing for our people, Maui will remain unbalanced.

The counties must have the power to make decisions like this for themselves! I hope that you will do what's right for our people, our 'aina, and our wai and choose the people of Hawai'i over unregulated tourism. It is time that we choose people over profit, and pass this bill.

Thank you for your consideration.
Jackie Keefe
Lahaina, Maui

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Neil Hoyt, and I am an owner and 10-year full-time resident at The Papakea Resort in Honokowai, Maui. Thank you for the opportunity to testify about this bill.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I **OPPOSE SB2919 and urge the committee to vote no on this matter.**

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

My name is Linda Hoyt, and I am an owner and 10-year full-time resident at The Papakea Resort in Honokowai, Maui.

Thank you for the opportunity to testify about this bill.

I **OPPOSE** SB2919 for the following reasons:

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I **OPPOSE SB2919 and urge the committee to vote no on this matter.**

SB-2919-HD-1

Submitted on: 4/2/2024 3:51:26 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alana Hendrickson	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Alana Hendrickson, RDN, CDCES, LD

SB-2919-HD-1

Submitted on: 3/30/2024 8:43:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maurice Schreiber	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Mo Schreiber and I live on the island of Oahu.

I am writing in opposition of SB2919 as current, legally permitted short-term rentals (per Ord 22-7) are important for tourism on the island of Oahu as they provide family and visitors with variety and choice as compared to a hotel room. A hotel room is not affordable nor livable to many that have families, need to prepare meals, or need more space than one room.

This bill will hurt me, other residents and important visitors that rely on current, legally permitted short-term rentals as temporary, furnished, and affordable housing. In addition, it will also threaten my ability to make a living along with the other cleaners, electricians, plumbers, painters, maintenance workers, and small businesses like me, who live and work in my community and put at risk my ability to pay for my own housing and bills.

In addition, this bill will hurt the county and state due to the loss of revenue created by GE, TA, and OTAT taxes that current, legally permitted short-term rentals generate and pay to the county and state of Hawai'i.

Please let the counties enforce laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

Mo Schreiber (Resident of the Island)

SB-2919-HD-1

Submitted on: 3/30/2024 8:49:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tim Choate	Individual	Oppose	Written Testimony Only

Comments:

I am strongly against this bill which will hurt the economy of Hawaii and also many locals both directly and indirectly. I traveled with my family to Hawaii for 20 years before deciding to buy our own home and spend even more time there, and we never stayed in a hotel because we have 5 kids. The access to vacation homes was central to our growing love of Hawaii.

Even with our own home, we wanted to share it with others when we are not there, and we now host a family visting their son in the military on Hawaii every year and we have hosted a local family who had damage to their home. We even built an ADU to support local housing, until the DPP told us we couldn't do any 30 day rentals at all and have an ADU (not in their brochure supporting ADU development) so we had to let go of that permit and the residents who were living there which was a loss for local housing based on poorly conceived pollicies.

Our home would be much too expensive for a long term tenant and we ourselves want to grow our participation in the community too so we won't ever give it up. My wife is even directing a youth theater production in Honolulu this summer and we've been supporting other local non-profits too.

Even with the 30 day rental rules that we honor, we have paid over \$100,000 in TAT and income taxes over the past few years and also have offered an additional \$25,000 of local employment to residents on top of the much larger amounts we invested in restoring our historic home and building an ADU we then had to give up. If our very limited rentals (4-5 times/year) are disallowed, we won't sell our home, but we won't be paying any of these taxes anymore and most of these folks will have to find more work elsewhere. Plus we will be really sad that we won't be able to share the magic of Hawaii that we love ourselves so much with others.

The housing crisis in Hawaii is widely known and proven to be caused by overly restricitve zoning and a completely broken permitting department (it took me 1 year to get a permit to remove a closet). Fix these things, make ADU rules easier (so I can rent the one I had again to a local), and that's how you will solve the housing crisis in Hawaii. Community after community has blamed vacation rentals for housing costs and actually proven this doesn't work and is a completely flawed view. Just look at South Lake Tahoe, CA which eliminated short term rentals entirely and had the highest increase in housing prices in all of California the following year.

Though the hotels would love to remove all vacation rentals, it will do 0 to help the local community to eliminate this opportunity for families to visit Hawaii - There are other places to go and fall in love with, and a lack of choices in Hawaii is already turning families away.

Please do not pass this law and please instead pass a law that requires permits be issued in 30 days and that development standards be reviewed to actively support rapid growth in housing options on Hawaii.

Thank you, Tim Choate

SB-2919-HD-1

Submitted on: 3/30/2024 8:54:43 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jill Paulin	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee Members,

I strongly oppose SB2919 because **it will allow the counties to eliminate month-to-month rentals**. Legislation was passed on Oahu to do just this, but it was overturned by the HILSTRA permanent injunction. Judge Watson wrote that this likely also violates constitutional law.

SB2919 will change the state law allowing Oahu to go forward with eliminating these month-to-month rentals. This will create another type of housing crisis for those that cannot qualify for an annual lease, those in need of transitional housing, our traveling nurses, emergency workers, temporary military, students and many others.

Please defer this bill, allowing the counties more time to enforce the laws they already have. Eroding other housing sectors does not fix the illegal short-term rental issue.

Mahalo,

Jill Paulin

SB-2919-HD-1

Submitted on: 3/30/2024 8:57:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
makahagal	Individual	Oppose	Written Testimony Only

Comments:

PLEASE VOTE NO ON SB 2919

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

SB-2919-HD-1

Submitted on: 3/30/2024 9:10:48 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin Boolukos	Individual	Oppose	Written Testimony Only

Comments:

Aloha for All,

Please you shouldn't support the big boys hotel unions, as it's us small individuals that need to be listened to and supported. We have over 90 parking stalls for 51 units lots of quiet space where we don't bother anyone nearby, we have shared community laundry no individual laundry, walk-up no elevator, when built it was resort zoned hotel and the north shore needs accommodations for guests to support evening restaurants and shops. You should listen to us individuals and make exceptions as there are many who are being hurt by your unfairness. Everyone should be looked at individually and not a broad cast on legislation. If the shoe fits, use it. The north shore community needs tourists to stay the night, to support restaurants and shops, not just come for an hour during the day. Mahalo, Robin

SB-2919-HD-1

Submitted on: 3/30/2024 9:11:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stuart Simmons	Individual	Support	In Person

Comments:

I strongly support [SB 2919, SD2, HD1](#) and request your committee to pass the measure.

Zoning and community development is a home-rule issue. Please allow each county to determine where and how many vacation rentals should be allowed.

On Oahu, illegal vacation rentals are evading enforcement actions by the DPP by creating fake 30-day contracts. [SB 2919, SD2, HD1](#) will eliminate this loophole.

Thank you for your consideration!

Stu Simmons

Oahu

SB-2919-HD-1

Submitted on: 3/30/2024 9:27:20 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jack Hou	Individual	Oppose	Written Testimony Only

Comments:

- Mid and short term rental allows investors to continue support Hawaii and it's people and economy
- Mid and short term rental provides options for travelers and avoid complete monopoly from huge corporations or major hotel chains.
- Mid and short term rental provides substaintial support to the overall tourism industy which is the major source of incoem for Hawaii government.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

SB-2919-HD-1

Submitted on: 3/30/2024 9:30:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Young	Individual	Oppose	Written Testimony Only

Comments:

If this Bill passes, there will be no more month-to-month rentals in Hawaii. This Bill will create another type of housing crisis for those that cannot qualify for long-term rental or need temporary furnished housing.

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is decimated?

SB-2919-HD-1

Submitted on: 3/30/2024 9:43:50 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Franzen	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair and members of the Committee

I OPPOSE SB2919

My name is Susan Franzen and I have owned a condominium property at Papakea since 1983. Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums that was initially marketed and sold as vacation rental property. The property has been in consistent operations since the 1970's with the majority of units under 600 square feet with limited parking for only 1 car per unit. Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

Papakea is a partner with Maui locals, with a workforce of approximately 35 residents, many with long term employment with the resort. Several employees spent their entire 40-year career with us starting at entry level and moving up the later to supervisor and then management level positions. Additionally, the owners of Papakea continue to support many Maui residents in a variety of occupations from pond maintenance, housekeeping, laundry to local general contractors, plumbers, electricians and more. Some of these workers are part of local small businesses who rely on Papakea for their livelihood. Our team of locals who love working at Papakea, stayed for days during the initial fire storm. Many of them lost their homes and they became some of the long-term residents during August, September and October.

What makes Papakea unique is that each owner manages their own individual units, which make our ties to local businesses even stronger. A majority of units are managed by local small business teams like Chasing Rainbows, Maui Dreams Come True (business closed due to fires) My Perfect Stays, Hawaii Life, Aloha Vacations and more. Unlike the hotels, these local

management businesses look to Maui residents for the majority of their services like cleaners, maintenance, contractors and more.

Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. But more importantly, Papakea guests support many of the small businesses including restaurants, food trucks, tour operators, state parks, the national park, and shops. These taxes are a significant portion of the funds used to develop low-cost housing on the island.

Finally, Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community. Until Covid, I had the same couple come and stay in my unit for 20 years in a row for multiple weeks as they escaped the cold in Illinois. They loved to support the community through volunteerism and eating at places like Down the Hatch and the Fish Market. Unfortunately, they have reached the age of not being able to travel anymore, but they felt Maui was their second home.

The owners at Papakea *are not the enemy*, but we look to partner with our neighbors and the county. This spirit was demonstrated as a large chunk of our owners opened their units to FEMA to help the displaced, only to be rejected because of our bad plumbing that will displace families again. Fortunately, a few of our owners were able to get their units through the FEMA process, and many more opened their units to locals during the initial displacement.

Please do not take away the jobs of the people who rely on our unit and Papakea for their livelihood, because there is a housing shortage. We opened our unit to locals during the crisis and donated to the causes on the island. We hope to return and be able to support the small businesses and volunteer our time as appropriate.

For the reasons stated herein I **OPPOSE SB2919** and urge the committee vote **NO** on this matter.

Respectfully submitted,

Susan Franzen

SB-2919-HD-1

Submitted on: 3/30/2024 9:44:35 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Melelani Jones	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Melelani Jones. A Kanaka Maoli mother of 2 very young keiki from the island of Maui. I moved home after being on the continent for over 20 years. Now six years back on Maui to raise my keiki surrounded by what little 'ohana I have left remaining in the islands and our culture. it is absolutely heartbreaking to see what is becoming the norm here on Maui and Hawai'i as a whole. I live in Haiku, Maui. A community that was once known as a heavy saturated Kanaka community. Over the course of the six years I've been home, I have watched it drastically change since COVID. More outsiders moving in making cash buys on properties that are completely out of reach due to the average median income Maui has to offer. And sadly, not the best people as they feel entitled to do what they want because they have more money and feel like that is a right of passage. As I was not directly impacted by the Lahaina fires what is now happening in our community with greedy property owners has a lot of renters in deep deep fear. My 'ohana and so many I know are in fear of what our leases will look like once they come around for and if renewal. Maui is in a very dangerous spot as the diaspora of our local 'ohana grows more every single day. With Maui turning into a retirement haven for people with no direct connection here other than reaping the benefits of "beauty" of our island home, my fear and many others is there is no sense of home and real community. If all of us younger 'ohana leave, Maui will be in a much drier state than it is now. No Kanaka and no locals mean no heart and soul of Hawaii. Also, no work force. And as you can see on "Maui Nui" website they are shuffling to fill all kinds of positions. This is single handedly due to our housing crisis and cost of living here in Hawaii. Please stop the STR's! In my neighborhood, which is a quite residential area in Haiku, I know of 5 which could be used to house our people of Lahaina. But sadly, they are not. Please do this for the Betterment of our people of this place. If not, Hawaii will never be the place we all knew of and love so much. No more profit over people. Take the risk and backlash. Put the people of Hawaii first. You will surely be glad to be on the right side of history.

SB-2919-HD-1

Submitted on: 3/30/2024 9:49:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gretchen Froerer	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am a retired senior and what income I receive from my short term rental at the Waikiki Banyan helps me to make ends meet. The Banyan offers tourists to Hawai'i greater choice in accommodation. There are also seasonal workers, displaced Hawaiian residents, students, travel nurses and workers from the mainland who would be negatively impacted if this type of accommodation were taken away. I also have a current NUC for my unit and have faithfully kept it current, paying my fee annually. I feel it would be breaking the agreement the state made with me so many years ago if the NUC is phased out. I strongly oppose the elimination of short term rentals in Waikiki. The problem seems to be mainly with AirBnB rentals in residential areas. World famous Waikiki is where tourist want to be and it makes sense to allow short term rentals in Waikiki proper.

Thank you,

Gretchen Froerer

Hawaii State Legislature,

We oppose adoption of Senate Bill 2919 for the following reasons.

We own a Condo at the Royal Aloha in Honolulu, McCully and Ala Wai Blvd.

We are against any senate billing that alleviates our rights as citizens of the United States of America that changes rights we have already been given.

Our daughter attended the University of Hawaii and received her Masters and PhD in Oceanography and rented this unit to her during her 8 years while in the Honolulu area.

We have since her graduation rented it out via VRBO to those who cannot pay the super high prices at hotels in Waikiki. We ourselves use it approximately 6-8 times a year for weeks at a time to enjoy Hawaii.

The Hawaii State Legislature in approving a bill like this moves us toward socialism and even communism by taking rights away. We believe there is a happy medium that the state is already at.

Without choice there can never be a free world.

We pay property and vacation rental taxes to the State of Hawaii & Honolulu for this right and feel that we are helping the State of Hawaii and Honolulu maintain its infrastructure and economy.

Without this choice travelers who have benefited from this service will change and go to other areas impacting Hawaii's tourism.

We believe the Hotels are the ones lobbying for this to happen to increase their profits. Once this happens we will see the hotels increase their vacation prices impacting Hawaii tourism even more.

It is a testimony to the fact that tourists use VRBO to be able to have family events, vacations, etc. that they do not like the high prices already charged by the Hotels in the area.

Please do not succumb to big brother trying to take over the world and allow those of us who have properties who already have this right to continue our lives in peace and enjoy Hawaii in our own way.

Gretchen and Dan Pearson

3/30/24

Owners of Royal Aloha Condo

SB-2919-HD-1

Submitted on: 3/30/2024 9:51:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendy Pierce	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because cleaning short term rentals provides our income. My son and I are able to work together and provide for us and have time to still enjoy living here. We are also able to share with our neighbors that are on fixed income or disability. It has enabled us to NOT be dependent on welfare. We recently were able to get off HUD and that provided another family a opportunity to have HUD. Please don't let this pass. With so many local people having to work 2 jobs just to get by. It squeezing the life of "ALOHA" out of the very people that live here. I believe that the people that live here should be able to spend time with their families. Mahalo ,
Wendy Pierce

SB-2919-HD-1

Submitted on: 3/30/2024 9:53:03 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Jackson	Individual	Oppose	Written Testimony Only

Comments:

- If this Bill passes, there will be no more month-to-month rentals in Hawaii, and this will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

Please take time to consider the following: a 2020 study commissioned by the Hawaii Tourism Authority found that STRs added \$6 billion to the state's economy and sustained 46,000 jobs. Neither Oahu, nor the state economy can afford the extremely harmful effects of this bill, if passed.

SB-2919-HD-1

Submitted on: 3/30/2024 9:59:21 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elen Stoops	Individual	Oppose	Written Testimony Only

Comments:

Oppose.

SB-2919-HD-1

Submitted on: 3/30/2024 10:30:54 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Darryl Symonds	Individual	Oppose	Written Testimony Only

Comments:

OPPOSE

SB-2919-HD-1

Submitted on: 3/30/2024 10:42:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Seth Pierce	Individual	Oppose	Written Testimony Only

Comments:

This would hurt a lot of business, families and locals if they do this. I OPPOSE.

Mahalo,Seth Pierce

SB-2919-HD-1

Submitted on: 3/30/2024 10:45:45 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kent Mannina	Individual	Oppose	Written Testimony Only

Comments:

Aloha and thank you for considering my issues with this bill. I am a simple person who relies on renting my Waikiki condo 30 to 90 days at a time to help pay for the considerable taxes, HOA and insurance premiums. My goal is to retire in Hawaii in the next 5 years.

the guests that rent my unit stay in Oahu for 30 to 90 days and could not afford to stay in a hotel for this period of time. I have international guests who are health care, military, contractors in many industries as well as vacationers. With Bill SB2919 not only will it affect my retirement plans but also make it impossible for these types of guests to stay 30 to 90 days.

please vote no

Mahali Nui Loa

Kent Mannina

2140 Kuhio Ave, Honolulu Hi

SB-2919-HD-1

Submitted on: 3/30/2024 11:06:05 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tim Logan	Individual	Oppose	Written Testimony Only

Comments:

I have lived here 26 years and cleaning short term rental enabled me to live a better quality life and not be stressed out all the time . Plus I have time to do the things I love. I don't want to be on welfare . Mahalo , Tim Logan

SB-2919-HD-1

Submitted on: 3/30/2024 11:11:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda Kawakami	Individual	Oppose	Written Testimony Only

Comments:

I oppose this measure since there are currently restrictions on short term stays already which the hotel unions are pushing in order to alleviate competition. Short term rentals give many local residents another income stream which they need in order to live here in Hawaii. There are also other people who need short term rentals, not only visitors like displaced residents, short term transient workers like nurses etc.

Please stop over legislating our lives and livelihood. Thank you for reading this.

SB-2919-HD-1

Submitted on: 3/30/2024 11:32:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sascha Thompson	Individual	Oppose	Written Testimony Only

Comments:

I feel that this is unlawful to impose these rules on homeowners. I feel that they have earned their properties and should not be told what to do with it. I also feel that the tourism industry needs revamping and the STR market has forced it to make corrections in order to keep up and fill up rooms. I do not think it is right to keep charging and taxing our guests that come to visit in order to make up the deficit that the hotel industry is loosing to STRs.

March 30, 2024

COMMITTEE ON FINANCE

RE: **OPPOSITION TO SB2919**

Aloha Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

It seems propaganda and nefarious “big hotel” influences have already encouraged a final outcome but in the hope critical thinking prevails, below is my testimony rooted in logic and facts.

While the State believes or is pretending to believe that this is a benign clarification of zoning, SB2919 would remove the constitutional protections contained in the State statute (section 46-4). On Maui County there is also no question on if the authority from this bill will be used but when. To believe that there aren't already designs to enact unconstitutional phase outs is beyond naive.

I am an owner of a 450 square foot studio condo in West Maui. The ocean front resort property where my condo is located was built in 1978 as a vacation rental resort. Despite the property having been marketed, developed, and approved for vacation use, and having operated in such manner legally for nearly 50 years, it is on the Minatoya list. While that should denote the vested rights to operate as it always has, this notation has become weaponized with false narratives. This property is not in a neighborhood and has never been longterm or workforce housing, rather it is a resort that is bordered by commercial properties and is flanked on one side by a hotel zoned property, and a STVR resort on the other.

Thinking that half-century old ocean front condos on West Maui will solve the affordable housing issue is ridiculous. Here are just a few reasons why - these properties routinely have special assessments (currently my studio AOA is \$1500/month to absorb reduced post-fire resort revenue as a means to avoid reducing staff/operations) and escalating insurance costs (ours increased by 530% in the past year). These properties are incredibly expensive to maintain, the property where I own will be starting into a several years-long repiping project that will cost \$32,000,000.00 minimum to complete.

The best and highest use of a tiny studio condo is for what it has been legally doing for almost 50 years. The legal STVR status allows such a small and expensive space to support local jobs and the local economy through a variety of means (high taxes, tourist dollars, etc.). Our condo supports the businesses of no less than five West Maui residents. These individuals have stressed the importance of maintaining their businesses and creating some normalcy post fire. Our resort property also employs 35 local residents for a variety of functions. Many of the staff have worked at the property for over 15 years. As an example, in December 2023 our resort community celebrated a staff member that retired after 23 years as an employee. If this bill were to pass all of the individuals that directly support our condo as a vacation rental and many of the resort employees will no longer be needed.

The fact that the hotel industry has imbedded itself so much into this issue is deeply troubling. Further, the sweeping negative statements about STVR properties is wholly unfair. The following

are just a few of the practices we stand behind: we don't use single use plastic, we encourage visitors to wear reef-safe sunscreen, to not walk/stand on the reef, give sea life plenty of space, to support local businesses, to leave no trace and pick up trash where it is found, and to volunteer. We don't "churn it and burn it." We review each potential guest and routinely turn down visitors that pose concerns as far as conduct while on island. I've never heard of a hotel vetting a visitor.

Other testifiers have pointed to how this bill will negatively impact individuals that need short and mid-term housing. These are individuals that are incredibly important and necessary - just a few examples include traveling medical personnel, laborers/contractors, and researchers. As a specific example, we hosted a researcher that came to Maui post fire to study air quality. With hotel rates so astronomical, some research would be cost prohibitive, some traveling medical personnel may choose different assignments, and some projects may be delayed due to a lack of housing for laborers/contractors.

The negative fiscal impacts (reduced tax base, increased litigation costs, reduced economic viability of West Maui tourism, increased unemployment claims, etc.) of this bill combined with the unknown housing outcomes make it incredibly ill thought through. Many owners have expressed that they will not engage in long-term renting even if this bill were to pass. Owners have cited the escalation of hateful/vengeful rhetoric as disturbing. Imagine someone comes to your door and says a bunch of vile things about you...compares you to "rapers and slavers" as a previous testifier did and then says but open your home to me. Confusing, no? Unfavorable landlord/tenant laws coupled with local voices saying they will squat in people's properties is also problematic. The expense of these units also makes the concept of subsidizing someone else's life indefinitely impractical.

There is already increased unemployment and uncertainty in the Maui community. Why aren't real and sustainable housing solutions being considered? Why aren't illegal short-term rentals being managed first? Governor Green recently posted that new legislation isn't needed and that cracking down on illegal rentals can work to solve the issue. Why are luxury single-family homes approved and built so easily? Why even in the recent past have counties rubber stamped hotel and resort development? Here are just a couple of examples I find perplexing if the housing crisis has actually been a concern on Maui:

- The West Ka'anapali Ocean Resort Villas (2003)
- Honua Kai (2009, 2020)
- The Westin Nanea Ocean Villas (2017)

Mahalo for reading my testimony. **I strongly OPPOSE HB1838, SD1 and urge the committee members to vote no.**

SB-2919-HD-1

Submitted on: 3/30/2024 12:06:41 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth (Liz) McArdle Solomon	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because of the impact to available housing for displaced residents, newcomers, transitionhousing, interisland for medical treatment or family visits, emergency workers, family and friends, and military.

Only allowing hotels to be an option also creates greater strain on the highway/freeway infrastructure because places to stay are in concentrated areas away from where peopel work or will be visiting.

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and esteemed members of the Committee,

My name is Beverly Herrington and I am here today to express my opposition to SB2919. I am grateful for the opportunity to testify regarding this bill.

I'd like to provide some background on Papakea before delving into the reasons for my opposition to SB2919:

- Papakea is a remarkable ocean-front property, completed in 1978, comprising 364 individual condominiums.
- Initially marketed and sold as a legal vacation rental property, Papakea predates any zoning restrictions that later limited transient vacation rentals in apartment-zoned properties.
- For nearly fifty years, Papakea owners have been operating legal vacation rentals.
- It's essential to note that Papakea was never designated as workforce housing and has never served as such, making it distinct from properties that converted from workforce housing to transient vacation rental use.
- The majority of Papakea's units are under 600 square feet, and the property has limited parking.
- Papakea is situated adjacent to hotel-zoned properties and various commercial establishments, not within a residential neighborhood.
- Unlike apartment buildings intended for long-term residential use, Papakea features a front desk, activity concierge, shared activity space, and other resort amenities.
- Papakea's resort operations necessitate extensive maintenance, resulting in high monthly maintenance dues compared to properties designed for long-term housing.
- The costs associated with maintaining an ocean-front property, including maintenance dues, special assessments, mortgage payments, property taxes, and insurance, render long-term rental financially unsustainable.

Furthermore, Governor Green emphasized that existing laws and regulations could be enforced without the need for new legislation. Counties already possess the authority to regulate illegal short-term rentals that disrupt residential neighborhoods, rendering SB2919 redundant in addressing this issue.

This bill threatens to retroactively ban the primary purpose for which Papakea was designed and built in 1978. Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal, based on nearly five decades of Maui

County ordinances, Hawaii revised statutes, and constitutional protections. Any phase-out of short-term rental use without just compensation would be unconstitutional, given owners' substantial investments in renovations, furnishings, and long-term financial commitments.

Moreover, Papakea contributes significantly to the community:

- Its resort operations provide employment for approximately 35 local residents, some of whom have been with the property for over 15 years.
- Papakea supports numerous local trade professionals, including pest control, HVAC, plumbing, electrical, and tree trimming services.
- Many small businesses owned and operated by Maui residents rely on Papakea short-term rentals, including housekeepers, handymen, on-island agents, and contractors.
- Papakea short-term rentals generate revenue for the State of Hawaii and Maui County through property taxes, Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Guests staying at Papakea support various small businesses on the island, including restaurants, food trucks, tour operators, state parks, national parks, and shops.
- Papakea boasts a substantial number of returning guests with deep connections to the community, contributing to Maui's tourism economy.

Considering these points, I respectfully urge the committee to vote against SB2919. This bill, if enacted, would have detrimental effects on Papakea's owners, employees, local service providers, and the broader Maui community.

Thank you for considering my testimony.

Sincerely,

Beverly Herrington

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee,

My name is Mike Herrington and I appreciate the opportunity to testify before you today regarding SB2919. I stand before you to express my strong opposition to this bill.

Allow me to provide some background on Papakea before I detail my reasons for opposing SB2919:

Papakea is a distinctive ocean-front property, comprising 364 individual condominiums, completed in 1978. From its inception, Papakea was marketed and sold as a legal vacation rental property, well before any zoning restrictions were imposed on transient vacation rentals in apartment-zoned properties. For nearly fifty years, Papakea owners have operated within the bounds of the law, offering legal vacation rentals. It is crucial to note that Papakea was never intended as workforce housing and has never served that purpose, making it incomparable to properties that transitioned from workforce housing to transient vacation rental use. The majority of Papakea's units are under 600 square feet, and the property faces constraints in parking availability. Papakea is situated adjacent to hotel-zoned properties and various commercial establishments, distinguishing it from residential neighborhoods. Unlike apartment buildings designed for long-term residential use, Papakea offers resort amenities such as a front desk, activity concierge, and shared activity spaces. Papakea's resort operations demand extensive maintenance, resulting in high monthly maintenance dues. These dues far exceed those of properties intended for long-term housing, rendering long-term rental economically unfeasible. Governor Green aptly noted that existing laws and regulations should be enforced, negating the necessity for new legislation like SB2919. Counties already possess the authority to regulate illegal short-term rentals that disrupt residential neighborhoods, making this bill redundant in addressing such issues. Moreover, SB2919 poses a threat to Papakea's primary purpose, which has been in place since its establishment in 1978. Purchasers of Papakea condos did so with the reasonable expectation that short-term rentals were legal, based on decades of Maui County ordinances, Hawaii revised statutes, and constitutional protections. Any attempt to phase out short-term rental use without just compensation would be unconstitutional, considering owners' substantial investments in renovations, furnishings, and long-term financial commitments.

Furthermore, Papakea contributes significantly to the community:

Papakea's resort operations provide employment for approximately 35 local residents, some of whom have been with the property for over 15 years, showcasing the property's commitment to local employment. The property supports various local trade professionals, including pest control, HVAC, plumbing, electrical, and tree trimming services. Numerous small businesses owned and operated by Maui residents rely on Papakea short-term rentals, including housekeepers, handymen, on-island agents, and contractors. Shutting down short-term rentals at Papakea would jeopardize these businesses and employment opportunities. Papakea short-term rentals contribute to the State of Hawaii and Maui County through property taxes, Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax, aiding in the funding of essential services. Guests staying at Papakea patronize many small businesses on the island, including restaurants, food trucks, tour operators, state parks, national parks, and shops, bolstering Maui's local economy. Moreover, Papakea boasts a substantial number of returning guests with deep connections to the community, underscoring its significance in fostering tourism and community ties.

Given the reasons stated above, I vehemently oppose SB2919 and urge the committee to vote against its passage.

Thank you for considering my testimony.

Mike Herrington,

Owner and Property Manager
(530) 300-3772

SB-2919-HD-1

Submitted on: 3/30/2024 12:32:46 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Liz Lees	Individual	Oppose	Written Testimony Only

Comments:

As a full time Hawaii resident, I am very concerned with how this bill might affect property owners rights and the costs of litigation to the tax payers when removing state vested residential property rights. How long is phased out over time? I am concerned that while less than 30 days was previously considered short term, now anything less than 180 days? This bill is overly broad and gives government too much power over private property rights.

- **If this Bill passes, there will be no more month-to-month rentals in Hawaii.** This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry if stays of less than 180 days are prohibited or overly regulated?

SB-2919-HD-1

Submitted on: 3/30/2024 12:44:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Terry Gardiner	Individual	Oppose	Written Testimony Only

Comments:

I am opposed

SB-2919-HD-1

Submitted on: 3/30/2024 12:44:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dennis Eugene Manzer	Individual	Oppose	Remotely Via Zoom

Comments:

I am a property owner at Papakea Resort on Maui. I strongly oppose the passing of SB2919 for the follow reasons:

- I won't be able to afford to keep my Hawaii property
 - Any reference to your "second home" which has become a triggering concept as Lahaina Strong claims that locals don't have a "first home"
 - I plan to retire soon and move to Maui
 - Unless you are Kānaka Maoli, best to avoid referring to your "ohana", the āina, the "Aloha spirit" or "Aloha culture" in your testimony. Lahaina Strong has been aggressively characterizing mainlanders and transplants that use these terms as cultural appropriators
- thank you and I encourage you to vote NO on SB2919

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Patrick Taylor. I would like to thank the committee for the opportunity to testify about this bill

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
 - Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
 - Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
 - Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.
- For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

Patrick Taylor
Owner and Property Manager

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and Esteemed Members of the Committee,

I extend my sincerest gratitude for the opportunity to testify before you today regarding SB2919. My name is [Your Name], and I am deeply invested in the matters concerning Papakea and its community. I stand before you to voice my opposition to SB2919.

Allow me to provide a comprehensive overview of the reasons behind my opposition:

Background on Papakea:

Papakea, an ocean-front property comprising 364 individual condominiums, was completed in 1978. From its inception, Papakea was marketed and sold as a legal vacation rental property, well before any zoning restrictions were imposed on transient vacation rentals in apartment-zoned properties. For almost fifty years, Papakea owners have diligently operated within the bounds of the law, offering legal vacation rentals. It's crucial to note that Papakea was never designated as workforce housing and has never served that purpose, setting it apart from properties transitioning from workforce housing to transient vacation rental use. The majority of Papakea's units are under 600 square feet, with limited parking availability. Papakea is situated adjacent to hotel-zoned properties and various commercial establishments, distinguishing it from residential neighborhoods. Unlike apartment buildings designed for long-term residential use, Papakea offers resort amenities such as a front desk, activity concierge, and shared activity spaces. The resort operations at Papakea necessitate extensive maintenance, resulting in high monthly maintenance dues that surpass those of properties intended for long-term housing. Consequently, long-term rental is economically unfeasible at Papakea. Governor Green aptly noted that existing laws and regulations should be enforced, rendering new legislation like SB2919 unnecessary. Counties already possess the authority to regulate illegal short-term rentals that disrupt residential neighborhoods, rendering this bill redundant.

SB2919 poses a grave threat to Papakea's primary purpose established since 1978. Condo purchasers at Papakea did so with the reasonable expectation that short-term rentals were legal, based on decades of Maui County ordinances, Hawaii revised statutes, and constitutional protections. Any attempt to phase out short-term rental use without just compensation would be unconstitutional, given owners' significant investments in renovations, furnishings, and long-term financial commitments.

Furthermore, Papakea is an integral contributor to the community:

Papakea's resort operations provide employment for approximately 35 local residents, some of whom have dedicated over 15 years to the property, showcasing its commitment to local employment. The property supports numerous local trade professionals, including pest control, HVAC, plumbing, electrical, and tree trimming services. Many small businesses owned and operated by Maui residents rely on Papakea short-term rentals, including housekeepers, handymen, on-island agents, and contractors. Discontinuing short-term rentals at Papakea would jeopardize these businesses and employment opportunities. Papakea short-term rentals contribute to the State of Hawaii and Maui County through property taxes, Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax, aiding in the funding of essential services. Guests staying at Papakea patronize numerous small businesses on the island, including restaurants, food trucks, tour operators, state parks, national parks, and shops, bolstering Maui's local economy. Moreover, Papakea boasts a significant number of returning guests with deep connections to the community, underscoring its significance in fostering tourism and community ties.

Considering the reasons stated herein, I vehemently oppose SB2919 and urge the committee to vote against its passage.

Thank you for considering my testimony.

Sincerely,

[Your Name]

[Your Position/Involvement, if applicable]

[Your Contact Information]

SB-2919-HD-1

Submitted on: 3/30/2024 12:48:02 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leslie Ringstad	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

Aloha, my name is Leslie Ringstad and I would like to thank the committee for the opportunity to testify about this bill SB2919. I would like to share with you some information about the Resort Property of Papakea on Maui.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as vacation rental property.
- Papakea has never been workforce housing so Papakea is not an example of a property that was converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has very limited parking.
- Papakea is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”

Papakea’s Contributions to the Community

- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea’s resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, numerous local fund raisers, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community and local residents.

For the reasons stated herein **I OPPOSE SB2919** HD1 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 3/30/2024 12:58:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Will ALAMEIDA	Individual	Oppose	Written Testimony Only

Comments:

I emphatically oppose SB2919 as a resident of Hawai'i. The bill would restrict short term housing options for residents who need the flexibility of renting month to month. This will deepen the already existing housing crisis.

Also, the bill will restrict options for our mainland relatives who's families cannot afford multiple hotel rooms. Short term accommodations are a necessary part of the visitor industry's offering, enabling visitors to rent homes with full kitchens. This affordable option to pricey hotels is a must for our tourist industry's global competitiveness.

SB-2919-HD-1

Submitted on: 3/30/2024 1:04:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brooke and Sandra Boswell	Individual	Oppose	Written Testimony Only

Comments:

Please do not destroy Hawaii's tourism industry and local jobs by removing current protection of legal rental zones in the Hotel/Resort zoning. Zoning serves an important function. Travellers and tourists need the choice of reasonable short term vacation rental accommodations that currently exist in many areas. Please oppose this unfair and harmful bill. Thank you,

SB-2919-HD-1

Submitted on: 3/30/2024 1:08:25 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeff Marinchak	Individual	Oppose	Written Testimony Only

Comments:

Hello, my name is Jeff Marinchak and my wife and I have owned a condominium at the Papakea resort for about 3 years.

Historical Legitimacy and Legal Precedent: As you may know, Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums. Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties. Papakea owners have been operating legal vacation rentals for almost fifty years. This long history underscores the strong desire for maintaining the current short-term rental status without retroactive alteration.

Economic Viability and Owner Investment: Long-term rental is not economically viable at Papakea due to high maintenance, insurance costs, and the investments owners have made based on the legal precedent, highlights the potential financial harm the bill could cause. Owners relied on existing short-term rental status and made significant financial commitments, and a phase-out of short-term rentals without consideration will cause significant financial harm and might be unconstitutional.

Unique Property Features Unsuitable for Long-term Housing: Papakea's resort-like features, such as a front desk, activity concierge, and shared activity space, distinguishes it from typical residential properties. Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use. The majority of units at Papakea are under 600 square feet and the property has limited parking.

Contribution to Local Economy and Community: Papakea provides employment for local residents, supporting local trade professionals, and the broader economic contributions through taxes and support for local businesses which will all be negatively impacted should there be a change to short-term rental status. This includes the direct support for small businesses and local contractors reliant on the tourism industry.

Lack of Impact on Residential Neighborhoods and Existing Legal Framework: Papakea does not disrupt residential neighborhoods, being located adjacent to hotel-zoned and commercial properties, and that existing laws already allow for regulation of illegal short-term rentals, suggest that the bill is unnecessary and unfairly targets legal operations like Papakea's.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

March 30, 2024

COMMITTEE ON FINANCE
REP. KYLE T. YAMASHITA, CHAIR
REP. LISA KITAGAWA, VICE CHAIR

RE: OPPOSITION TO SB2919

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

The Committee should consider two amendments as follows to reconcile this authority with existing constitutional protections:

Amendment 1:

“...provided that transient accommodations uses arising after January 1, 1980 may be amortized or phased out in residential or agricultural zoned areas...”

In 1980, the Legislature added the following constitutionally grounded language to HRS 46-4:

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.

By adding in a reasonable lookback period (*going back over 40 years*), the Legislature is maintaining a reasonable constitutional safeguard in the bill that will reduce the risk of costly litigation against the State and Counties. Since the concern is primarily with newer short-term rentals and the overall expansion in the last decade, *this will also empower the Counties to address the “proliferation” of short-term rentals*. In combination with aggressive efforts to regulate illegal short-term rentals, this amendment will appropriately empower the Counties with home rule authority while avoiding risk.

Amendment 2:

Removal of:

“provided further that residential uses do not include transient accommodations uses.”

This language is not supported by any legitimate basis. In Maui County, short-term rentals are any rentals under 180 days. To suggest that a 179 day rental is not residential use, but a 180 day rental is residential use is non-sensical. Other counties have different definitions of transient vacation rental, leaving an inconsistent application of what constitutes residential use depending which island the rental occurs on. This doesn't make sense. The actual use of the property is what determines residential use, such as sleeping, cooking, and bathing. All of these uses occur with both long-term residents and transient vacationers. This interpretation of ordinary living activities is consistent with the Judge Watson's ruling in the HILSTRA case.¹

¹ *Hawai'i Legal Short-Term Rental All. v. City & Cnty. of Honolulu*, No. 22-CV-247-DKW-RT, 2022 WL 7471692, at *7-8 (D. Haw. Oct. 13, 2022).

SB2919 Does Not Address “the Problem” Which is the Proliferation of Illegal Short-Term Rentals

Everyone is concerned about the increase in illegal short-term rentals that operate in neighborhoods, and focusing on eliminating those short-term rentals is a good thing. The counties already have the authority to police illegal short-term rentals that exist in actual neighborhoods and take away legitimate long-term housing.

This legislation has nothing to do with illegal short-term rentals destroying neighborhoods. This legislation is a deliberate attack on resort properties that happen to have apartment zoning because **transient vacation rental in apartment zoned properties was a permitted use in Maui County for properties developed before 1989.** For example, Papakea is a West Maui ocean front resort property consisting of 364 units. Papakea was constructed in a resort area, next to a long string of hotel-zoned properties and commercial properties. Papakea connects with the boardwalk that goes in front of the north Kaanapali hotel zoned properties.

When completed in 1978, transient vacation rental was a permitted use in properties with apartment zoning. Papakea Oceanfront Resort was designed, constructed, marketed, and sold as a vacation and transient vacation rental property with a front desk, activity concierge, common resort amenities, limited parking, small units, housekeeping closets in the breezeways, and other resort features. Many units operate on a common lock system where plastic key cards are programed at the front desk.

In 1989, Maui County decided that transient vacation rental would no longer be allowed for newly constructed apartment zoned properties. Recognizing the constitutional requirements, Maui County allowed all properties with a history of transient vacation rental to continue and formed what is now called the Minatoya List, named after the former Maui County Deputy Prosecuting Attorney, Richard Minatoya. Maui County continues to have a link to the Minatoya List on its website stating “PROPERTIES ALLOWED TO BE USED FOR SHORT-TERM OCCUPANCY.”² **A common misconception is that all properties on the Minatoya List were workforce housing such that the counties should endeavor to “return” those properties to workforce housing. Papakea is on the Minatoya List and has never been workforce housing.**

To-date, no committee considering this legislation has conducted any actual investigation, study, or considered any actual data indicating that this legislation will have any impact whatsoever on the housing crisis. New York’s short-term rental ban has been referenced throughout these proceedings, however, the New York ban did not result in any meaningful decrease in long-term rental rates.³ The New York ban was considered a benefit to the hotel industry, which is exactly what is happening here.

² https://www.mauicounty.gov/DocumentCenter/View/119795/102219_Agenda-Item-E1_Short-Term-Occupancy-List-aka-Minatoya-List.

³ <https://hbr.org/2024/02/what-does-banning-short-term-rentals-really-accomplish>

The Legislature is making important decisions that impact thousands of local residents, billions of dollars of property value, and hundreds of millions of dollars of tax revenue. This decision needs to be made based on actual data, not based on underdeveloped, unresearched clickbait theories perpetuated by various organizations supporting this legislation. To date, none of the committee reports have included any actual data supporting any of the legislative findings, and at no hearing has any legislator clarified any cognizable data supporting the effectiveness or legality of this legislation.

Mayor Bissen’s State of the County Address Confirmed that Maui County Has Not Made Reasonable Efforts to Crack Down on Illegal Short-Term Rentals in 13 Years

Since 2011, Maui County has imposed a standing rule that it would not investigate any anonymous complaint regarding an illegal short-term rental. Governor Green just confirmed that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.” Despite having the clear authority to regulate illegal short-term rentals, the County has failed to investigate complaints for 13 years! Given that illegal short-term rentals exist in actual neighborhoods, it is not surprising that local residents were not comfortable submitting complaints if their identity would be known because those illegal operators are neighbors. Airbnb was founded in 2008, so Maui County has not made reasonable efforts to regulate illegal short-term rentals since Airbnb has been present in Hawaii. Less than 5 minutes of online searching reveals numerous single-family homes made available for short-term rental.

Mayor Bissen just announced that Maui County is now removing this rule and will start investigating complaints of illegal short-term rentals. Given the new policy change with Maui County, a reasonable approach would be to allow the counties some time to start actually regulating illegal short-term rentals which everyone agrees are “the problem.” Maui County will have little incentive to ever regulate illegal short-term rentals if the County believes it can simply eliminate thousands of legal short-term rentals. Few, if any, of those units will become long-term housing, illegal short-term rentals will continue to operate in actual neighborhoods without payment of any GET, TAT, or MTAT and “the problem” will persist unresolved and the State and counties will be left with drastic budgetary consequences of eliminating the largest sources of tax revenue while still incurring costs to create actual housing opportunities.

SB2919 Sets Up the State and Counties Pay to Attorney Fees to Short-Term Rental Owners

Following its loss in the HILSTRA case, the Honolulu City Department of Planning and Permitting, corporation counsel and other defendants must now pay \$292,514.27 in attorney fees to HILSTRA after losing the case. This is taxpayer money. The Legislature is supposed to be passing constitutional laws. By stripping away constitutional safeguards and creating the appearance for the counties that they have the ability take unconstitutional actions, the Legislature is disregarding its obligations to taxpayers and creating unnecessary risk for the State without having a well-founded and informed public purpose. Additionally, by passing this Legislation, the State would be directly enabling the counties to take unconstitutional actions. The result will be that taxpayers in all districts will be paying for attorney fees incurred by short-term rental owners.

As Worded, SB2919 is Not a Simple Clarification of County Home Rule Authority; It is an Impermissible Attempt to Erode Constitution Protections

Representative Tarnas is the only legislator to mention anything about constitutionality of this legislation. He stated that the Attorney General had no concerns with the constitutionality of companion bill HB1838, **but the legal authority cited related to the enforceability of a New Jersey and a California zoning ordinance**. HB1838 and SB2919 do not involve any actual zoning ordinance, making the Attorney General's advice and Representative Tarnas' explanation completely irrelevant to the constitutionality of either bill.

There was no caselaw cited in support of the real issue which is removing the constitutionally-rooted safeguard from an enabling statute. Reliance on two irrelevant, cherry-picked, non-binding district court opinions from outside of Hawaii, while ignoring, the Hawaii Constitution, a long line of Hawaii appellate caselaw, and a 2022 District of Hawaii decision by the Honorable Derek Watson⁴ should indicate that this legislation has not been well-researched and needs to be actually studied instead of rushed through without any meaningful discussion.

The Legislature cannot legislate around constitutional protections. But, that's exactly what HB1838 attempts to do. HB1838 is an unconstitutional attempt to strip away the "grandfather protections" currently present in HRS 46-4 which have been recognized by numerous Hawaii courts as "grounded in constitutional law." *See e.g. Waikiki Marketplace v. Chair of Zoning Bd.*, 949 P. 2d 183. In *Waikiki Marketplace*, the court proclaimed that "the right of a property owner to the continued existence of uses and structures which lawfully existed prior to the effective date of a zoning restriction is grounded in constitutional law." *Waikiki Marketplace*, 949 P.2d at 193.

Nine years later, the Hawaii Intermediate Court of Appeals in *Ferris* similarly stated "the requirements of HRS § 46-4(a) as well as the constitutional protection provided to property owners with vested rights to pre-existing lawful uses of their property." *Robert D. Ferris Tr. v. Plan. Comm'n of Cnty. of Kaua'i*, 378 P.3d 1023, 1029 (App. 2016). Just last year, the Hawaii Intermediate Court of Appeals repeated this same well-established principle in *Campos* by confirming that "in accordance with the Hawai'i Constitution, **the counties cannot prohibit "continued lawful use" of a building or premises at the time an ordinance takes effect.**" *Campos v. Planning Commission of County of Kauai*, 539 P. 3d 170 (quoting HRS 46-4) (emphasis added).

SB2919 eviscerates the constitutionally grounded guardrails in Section 46-4 by expressly authorizing the counties take away vested property rights that are currently legal without payment of any compensation. Eliminating 50 years of legal and vested use offends the very nature of the Taking's Clause. *See Palazzolo v. Rhode Island*, 533 U.S. 606, 618 (2001) ("the purpose of the Takings Clause, [...] is to prevent the government from "forcing some people alone to bear public burdens which, in all fairness and justice, should be borne by the public as a whole.").

⁴ Judge Watson graduated from Harvard Law School and was a former U.S. Attorney for the District of Hawaii until President Obama appointed him to the federal bench.

Thus, SB2919 is not a simple clarification of home rule authority by counties to address zoning matters; SB2919 is an impermissible attempt to erode constitutional protections in an enabling statute that will result in unfortunate and costly litigation without any credible and informed public purpose.

SB2919 Narrows the Labor Market and Limits Competition in the Lodging Industry

The big hotel industry’s support for this bill is disingenuous. One big hotel lobbyist stated “our members cannot afford to live here.” Stated differently, the hotel industry does not pay its workers enough to afford to live here. The hotel industry is admitting that it knowingly pays its workers wages that do not allow them to afford housing. While supporters of these bills disseminate repugnant narratives calling short-term rental owners as “rapers” and “slavers”⁵, none of the biggest hotels are based in Hawaii or owned by Hawaii residents. The big hotels are the ultimate colonizers and extractors. They constantly maneuver for new development opportunities, fight labor unions on payment of fair wages, impose oppressive corporate policies, extract profits from the islands, use excessive amounts of land, water, electricity, pay executives obscene annual compensation, and contribute less tax revenue per unit than short-term legal short-term rentals. Do the hotels not make enough money to pay employees fair wages to pay for housing? To answer that question, let’s take a quick look at the top 3 highest annual compensation earners for three big hotels in Hawaii according to SEC filings so we can see where the extracted profits are allocated in these organizations:

Marriott	2020	2021	2022
	4,276,462	18,391,882	18,686,271
	3,698,561	11,293,045	9,754,915
	3,516,648	12,979,631	6,089,397
	11,491,671	42,664,558	34,530,583

Hilton	2020	2021	2022
	14,702,221	13,006,023	24,070,053
	4,307,222	4,239,645	6,843,433
	3,035,377	2,582,541	6,011,929
	22,044,820	19,828,209	36,925,415

Hyatt	2020	2021	2022
	9,902,214	10,217,451	11,001,328
	3,369,192	3,755,410	4,017,018
	3,334,762	3,503,824	3,781,117
	16,606,168	17,476,685	18,799,463

⁵ See March 20, 2024 Testimony of Kai Nishiki on behalf of Lahaina Strong.

In 2022, these *9 executives collectively earned total annual compensation of \$90,255,461.00*. When the big hotels were firing and furloughing thousands of employees in 2020, these same **9 people collectively earned total annual compensation of \$50,142,659.00**. Now, in fairness to these hotel executives, many did take pay cuts in 2020. For example, the CEO of Hilton was right there feeling the pain with the thousands of local residents who were fired⁶ when he took a \$10 million pay cut, leaving him just **\$14,702,221.00 in annual total compensation for 2020**.

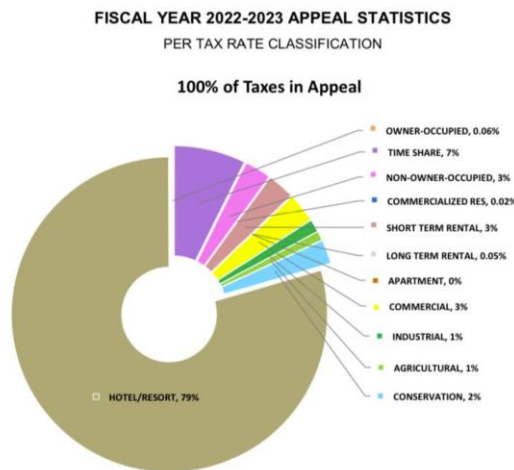
While the big hotels fight labor unions over fair wages, our short-term rental business asks our service providers “what is your rate?” We pay on net zero terms upon receipt of invoice. Our services providers have total control to set rates, work hours, operating procedures, payment terms, dress, and co-workers. **Most importantly, our team have small businesses that they own, operate, build equity in, expand, and can even sell.** Many short-term rental service providers have worked in the hotel industry at some point and decided to leave to have more control over their lives, income, and future. Suggesting that small business owners can just get a job at one of the hotels or somewhere else is a theory that could only be perpetuated by people who do not understand the hard work, dedication, and pride associated with building and running a small business. Attempts to shame and judge local residents for choosing a profession that supports the short-term rental industry are disgustingly entitled opinions from privileged individuals that don’t understand what it means to work hard to support a family.

Local news sources have highlighted issues with labor practices in the hotel industry:

[‘They’re working us to death’: Hotel workers calling for change](#)

[Ilikai Hotel workers rally for better wages and benefits](#)

The hotels kick and scream the most when it comes to taxes, objecting to tax responsibility more than any other property type:



⁶<https://labor.hawaii.gov/wdc/real-time-warn-updates/2020-warn-notice/>

The Committee should think long and hard about who actually benefits from SB2919. There has never been a situation where limiting competition in a labor market benefits the employees. SB2919 will place too much control with the big hotels.

SB2919 Will Not Enable the Counties to “Convert” Short-Term Rentals to Long-Term Rentals

The Legislature’s goal of creating affordable housing is admirable but unfortunately this bill has been incorrectly characterized by some as enabling the conversion of short-term rentals to long-term housing options. Even if this bill becomes law, the counties cannot “convert” a short-term rental to long-term. The only way for the government to “convert” a short-term rental to a long-term rental would be to actually exercise eminent domain and fully take ownership to the properties. The underlying assumption that the elimination of short-term rental use will automatically result in conversion to long-term housing is not supported by any actual evidence, studies, or legitimate findings. **The monthly association dues for many condo properties exceed the unsubsidized long-term rental rates, without even considering mortgage payments, insurance, and property taxes. Long-term rental is not sustainable in oceanfront condo properties where the monthly carrying costs exceed the unsubsidized long-term rental rates.** Additionally, the increasingly hateful and threatening messaging from organizations supporting these measures has created an adversarial situation that makes it unlikely that property owners will be willing to rent long term to those that demonstrate such unhinged rage and hate.

The concept that covering monthly carrying costs is somehow greedy, is absurd. Any of the many Hawaii residents that own properties and engage in long-term rental attempt to cover monthly carrying costs with rent payments. The new narrative characterizing short-term rentals as a “commodification of housing” is also interesting coming from politicians who own multiple properties and conduct long-term rentals themselves. **If short-term rentals are commodifying housing, then so are long-term rentals because both involve collecting money in exchange for allowing use of a property.** In many ways, owning a long-term rental is worse than owning a short-term rental because **the owner of a long-term rental is selfishly commodifying housing for personal gain while depriving another local resident from the benefits of ownership, whereas very few want to buy short-term rental condos to live in because the maintenance dues are simply too high.** The Legislature’s job is to look past these unfounded theories and make sometimes difficult decisions based on actual data. Unfortunately, there has not been any actual study, investigation, or data supporting any aspect of this legislation.

I appreciate the Committee’s attention to this important matter and I hope each of you will have the courage to vote NO on SB2919.

SB-2919-HD-1

Submitted on: 3/30/2024 1:26:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Connie Steuart	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. It will tank property values for all of Maui. It will decrease property tax revenues! The maui government will be controlled by the big hotels as that will be the islands only revenue.It will Lead to unemployment and lower income for all residence on Maui. It gives the hotels a Monopoly. They will raise room rates and decrease tourism. Unemployment will rise and Quality of life for all citizens will go down. I Oppose sb2919.

SB-2919-HD-1

Submitted on: 3/30/2024 1:38:58 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Godbey Carson	Individual	Support	Written Testimony Only

Comments:

Please support this bill to authorize counties to phase out short term rental housing. Our state is in a housing crisis that requires prioritizing our housing for Hawaii's residents. We need 50,000 housing units to meet housing needs for our own residents. Governor Green has stated that there are over 80,000 short term rental units operating in the state, most of them illegally. That is more than enough housing for our own residents if those dwelling units were converted to housing for Hawaii's residence instead of for visitors.

Authorizing our counties to phase out short term vacation rentals can provide immediate sources of housing for Hawaii's residents, without new construction, government subsidies, permit and development delays and NIMBY opposition. Moreover, this would allow us to maximize the use of our existing housing without taking rural lands or increasing density of housing in areas that may not have infrastructure to support greater density.

The proliferation of short term rental housing in our state has caused tragic consequences to our economy, forcing tens of thousands of our residents to have to leave the state, and increasing the costs of housing for everyone. Allowing counties to decide to faze out short term rental housing is a fair and prudent way to reallocate our limited housing resources for our greatest needs.

Thank you for your consideration of my testimony.

Ellen Godbey Carson

SB-2919-HD-1

Submitted on: 3/30/2024 1:51:31 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gregg Steuart	Individual	Oppose	Written Testimony Only

Comments:

I beleive that this bill gives to much power to the counties for the benefit of special interest, I.e. the hotel industry, to control the rental market. This will allow hotels to raise there rates where only the wealthy will be a ble ot come to the Islands. This will also hurt all the individuals that service the short term rental market (cleaners, carpet cleaners, resteranunts, etc) and make the islands an even larger welfare state.

SB-2919-HD-1

Submitted on: 3/30/2024 1:53:33 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roderick Yu	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I wish to submit my opposition to this bill.

Aloha, I wish to submit my opposition to SB2919.

I was born, raised and still living in Maui. Given the very difficult circumstances in maintaining a life here with my wife, we bought a studio in the komohana side to help with our finances. the unit is situated in a legally zoned area (resort/hotel).

The unit have been operating legal vacation rentals for almost fifty years & has never been workforce housing nor was it converted from workforce housing to transient vacation rental use. Majority of units in the resort are under 600 square feet and the property is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.

The resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents the units from ever becoming a sustainable long-term housing option.

The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods and this bill does nothing to solve the problem of illegal short-term rentals.

This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that the resort was designed for and built in 1977 or 1978.

Owners purchased condos at these resorts with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.

In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term

financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.

The resort operations provide employment for approximately 50 local residents including my hoāhanau; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

Shutting down short-term rentals at these legally-zoned areas means putting these folks out of business with fewer employment opportunities.

We also support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

Mahalo piha!!

SB-2919-HD-1

Submitted on: 3/30/2024 1:56:20 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lois Crozer	Individual	Comments	Written Testimony Only

Comments:

I oppose amortizing all vacation rentals. You all say you agree with owner-occupied but I don't see anything in the bills that separates us out. We are not mainland investors, we are trying to keep our homes. We show visitors the Hawaii we know and love. Our renters want the real experience and want to be a part of our ohana. They aren't the high spenders who stay in Waikiki who buy \$\$ goods. You say you only want rich visitors bringing in lots of money, but these people do pay the GE,TA and OTAT taxes. We pay income tax on our earnings. They buy at local stores, not Waikiki, they enjoy giving back with real experiences. Let's embrace them.

I agree the mobile sleeping accommodations have got to go. I really do wonder if the owners are paying the taxes. And where do they sleep? Sometimes here in Lanikai.

SB-2919-HD-1

Submitted on: 3/30/2024 2:10:42 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen Auth and Ronald Auth	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Committee Chair on Finance as well as members of the Finance Committee:

My husband and I firmly oppose SB2919.

We purchased our Papakea condominium in 1977. From the beginning, this resort was operated the same as a hotel, with front desk services, a concierge, and maid availability. It's a large complex on twelve acres of ocean-front property. The resort has tennis courts, a pickle court, two pools, two putting greens, and two cabanas. We are right next door to the Kaanapali Hotels. Property management is on property and the people who work in management all live on Maui. We employ front desk staff and a large host of people to manage the grounds, pools, cabanas, and tennis courts. There is a maintenance department on the property as well. The gardens are beautifully maintained by talented gardeners. During each year, the banyan trees and palm trees all need professional servicing as does the vast parking lot. The resort hires building painters, roof repairmen, electricians, elevator inspectors, and plumbers. Our units are maintained by housekeepers and handymen. We employ an enormous amount of residents who would suffer terribly if they lost their jobs, some of whom, tragically, have already lost their homes. We simply can't do this to them.

Papakea owners need to maintain their units to high standards acceptable in the hotel industry, which means that we support local furniture store businesses, appliance and lighting stores, and contractors who periodically upgrade kitchens and bathrooms, bolstering businesses that sell these expensive items.

Aqua Aston, our management company affiliated with Marriott, contracted with the Red Cross almost immediately and offered unit availability. The Red Cross pulled out at the end of January because, as I understand the situation, they wanted to consolidate their housing for those in need.

Our guests pay transient accommodation taxes, Maui County transient tax, and general excise taxes. Owners at Papakea pay very large property taxes. The people we employ pay state taxes. Guests support local businesses such as shops, restaurants, car rental agencies, gas stations, and various ocean-affiliated activities, as well as daily tours.

All of the above contributes significantly to the economy of the state and the lives of our employees and business owners.

Please do not pass this bill. Thank you for your attention.

Ronald Auth and Kathleen Auth

From: Carol and Dennis Shearer, small business owners, West Maui

RE: OPPOSITION TO SB2919

Representative Yamashita, Chair, Representative Kitigawa, Vice-Chair and Members of the Committee:

We OPPOSE SB2919 because it will create tremendous hardship for the people of Hawaii without solving any of the problems it says it intends to address.

Please recall the "Maui is closed" messaging immediately following the Lahaina fire, and the devastating economic consequences this messaging had. This bill provides a vehicle for PERMANENTLY creating that economic struggle.

Background on Papakea Resort, where we own a 1-bedroom STR

- We are long-time visitors to Hawaii, having first traveled there in 1984, and having made countless trips to Maui, Kauai and Hawaii in the 4 decades since then. In 2014, we purchased a one-bedroom condo at Papakea, a West Maui resort of 364 individual condominiums built in 1978 as a legal vacation property.
- Papakea was not built as, & never operated as, workforce housing. It has operated as a vacation rental property for almost fifty years.
- Unlike apartment buildings built for long-term residential use, Papakea has a front desk, activity concierge, and many resort amenities, all on 13 ocean front acres with 1200 feet of coastline.
- Employing 35 staff, Papakea's amenities make the monthly maintenance dues very high compared to those for properties built for long-term residential use.
- Unsubsidized long-term rental rates don't even come close to covering the costs associated with this property; the resort can only support the current personnel and maintain the property with high maintenance dues that rely on short-term rental income. (See attachment to this letter for a breakdown)
- The condos themselves just don't work for long term occupancy. Units have limited living space, VERY limited storage, and only 1 parking spot per unit.

Papakea's Contributions to the Community

- Papakea employs approximately 35 local resident employees. Some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea Resort also supports local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming, and activities providers.

Individual Short Term Rental Contributions to the Community

- Short term rentals like ours support a wide range of small businesses owned by local residents, including housekeepers, handymen, carpet cleaners and air conditioning maintenance experts, on-island agents, and contractors.
- Short term rentals encourage visitors to venture out into the community to visit small businesses, rather than confining themselves to the resort bubbles of big hotel resorts owned by multi-national corporations with NO ties to Maui.
- Short term rentals like ours support Hawaii and Maui County through:
 - Property taxes at the short-term rental rate,
 - State and Maui County Transient Accommodations Tax,
 - State and Maui County General Excise Tax
- Revenue from short term rentals support essential services for Hawaii's residents, and contributes substantial resources to important programs such as affordable housing initiatives.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, shops, state parks, & the national park.

This bill's negative impact on local residents

This bill will hurt many local residents. Consider our housekeeper, long-time Maui resident Arcelia, who is afraid that this bill will put her out of work. She has already lost so much income due to properties lost in the fire and conversion of STRS to long term rentals, and is right now trying to find a second, night job at a restaurant. (A job which would also disappear if STRs are banned, and which is already incredibly hard to find with the loss of Lahaina town). Arcelia has a mortgage and all her other regular living expenses to pay, and supports both her aging parents & her two children, all of whom live with her.

When we first returned to West Maui after the fire, in November 2023, we had SO MANY small business owners and employees thank us for coming. They told us how incredibly hard it had been hanging on as the number of visitors dwindled and income dried up, and they saw their livelihood slipping away.

When we came back, early in 2024, to prepare our condo to host Lahaina fire survivors long-term, we heard the same message still - that visitors are fewer, spending less, staying more in the hotel/resort areas and frequenting areas like Paia and Hana less, and the businesses and employees out in those communities are hurting as a result.

We are not kanaka maoli, we are not Hawaii residents. But - we care deeply about Maui and its people, much more than the owners of the giant multi-national hotel corporations that are trying to sell you on eliminating vacation rental properties like ours.

For all these reasons, we beg you to do the right thing, for Maui & its residents, REJECT SB2919, and seek a permanent solution that would build comfortable, decent, affordable housing for our Maui families.

Respectfully submitted -
Carol and Dennis Shearer

THE ECONOMICS OF A PAPAKEA ONE-BEDROOM

Because Papakea is a 13-acre property right on the ocean, with a 1200 foot seawall, and was built as a resort, it is incredibly expensive to maintain, and units pay high AOA dues, which make these units unaffordable as workforce housing:

For our 597 square foot 1-bedroom unit at Papakea, our monthly payment to the **AOAO right now is \$1,238** - approximately 80% of the HUD published fair market rent for a one-bedroom.

In the next two years, that cost **will rise to around \$2,000/month** (due to a \$1.2 million increase in AOA insurance that started December 2023, and a massive increase heading to us in 2026 due to a \$32 million project to replace failing plumbing that will be starting in June 2024.)

On top of AOA dues, there is also a **Facilities Use Fee of \$170/mo** that is also used to fund operating costs of the property.

After adding GET and property taxes to the AOA costs, and **WITHOUT ANY MORTGAGE, the unit will cost around \$3,000/month** to maintain as a long-term rental. That's **WITHOUT A MORTGAGE**, and without factoring in insurance, utilities, and maintenance costs.

If you believe the condo should be sold to a local resident for their own primary residence, even at only a fraction of its current market value, please consider that by the time you calculate even a modest mortgage, this condo would be unaffordable for them.

And please remember - because Papakea was built as a vacation property, there's almost no storage space, and only 1 parking slot.

And one other concern - slashing AOA costs would require slashing maintenance of the property - and not maintaining the property would leave West Maui with a 50 year old, decrepit, unsafe, eyesore of an oceanfront former resort. Which we do not believe anyone wants.

Representative Yamashita, Chair, Representative Kitigawa, Vice Chair, and Members of the Committee:

I am writing to express my strong opposition to SB2919

I've been coming to Hawaii for decades, and travel to Maui several times a year. I stay at Papakea, a condo-tel resort in West Maui. During my trips, I shop local, dine at small local spots, volunteer, and seek experiences that expand my understanding of Hawaiian culture and its people. I call many local residents my friends. I work hard to avoid the big, generic, hive-like experience of the big resorts like Hyatt and Marriott, and honestly detest the vibe of places like the Grand Wailea, Sheraton, or Westin properties that feel like they could be anywhere - Texas, California, or New York.

For me, it's not about the money. It's about spirit. I will stop traveling to Hawaii and look elsewhere for travel if my only Maui option is a "big box" hotel owned by a multi-national corporation like Marriott.

For others, it may be a matter of cost. Or space. Or circumstance. Short term rentals offer visitors with families more space than a traditional hotel room, often at an equal cost but with greater comfort. They offer a vital alternative to visitors who have a desire to avoid the "resort bubble" cookie-cutter experience that is totally disconnected from the unique spirit of Hawaii. They offer traveling essential workers living space while they offer their services in Hawaii. They have provided vital housing for local residents displaced by disasters like the West Maui fire in 2018, and the 2023 Kula & Lahaina fires.

In other words - short term vacation rentals offer an essential alternative to hotels.

A recent committee report erroneously concluded: *"short-term rentals disrupt the State's traditional and economically indispensable lodging industries."*

THIS IS RIDICULOUSLY FLAWED LOGIC.

It assumes that visitors will come stay in the giant hotels owned by foreign investors if short term rentals in small, aloha-filled condominium complexes are banned. You couldn't be more wrong. Families who need more space than a single hotel room, or who want that more zenful experience a resort like Papakea offers, will just head to another destination rather than be shoe-horned into a Marriott hotel room on a miles-long corridor of hotel room doors and a view of the dumpster or the room across the courtyard.

As to hotels being economically indispensable. This just isn't true either. I did a little research before I sat down to write this to you:

- Short-term rentals on Maui produce FOUR TIMES the property tax revenues of hotels.
- They make FOUR TIMES the contribution to Maui's affordable housing fund.
- They generate substantially more TAT than hotels.
- Visitors who stay in STR are more likely to travel out into the community and spend their dollars in small locally owned businesses and restaurants than are the hotel guests, who choose to stay in their bubble and spend their dollars on the resort amenities on property (sending profits back to their multi-national corporate owners) and not out in the community.

PLEASE - do not pass this bill.

Thank you

Respectfully submitted -

Carol Thompson, long-time Hawaii visitor

SB-2919-HD-1

Submitted on: 3/30/2024 2:34:12 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charles Stark	Individual	Oppose	Written Testimony Only

Comments:

This bill would require me to sell my home since I could not afford to keep and maintain it without supplemental rental income. We have maintained our home on Oahu for three generations, and the property taxes, utilities and tropical maintenance have constantly increased. If I had to sell my home it would probably go to a wealthy absentee investor, and it would not create or add any additional housing. STRs are not the solution to the housing crisis. Hawaii needs to streamline its lethargic regulations to promote building more housing, Eliminating STRs will not solve the housing crisis. Most STRs are not suitable for workforce housing. Moreover, elimination of my right to rent short term would be a violation of my constitutional right.

Hawaii counties should adopt **positive** regulations of STRs to keep their beneficial effects and reduce any adverse effects on neighborhoods. Permitting with intelligent and reasonable regulation is better than elimination. Other states and counties have accomplished this in positive ways, why not Hawaii? Hawaii receives a lot of revenue from STRs with TAT and GET. Many tourists do not want to stay in a hotel or condo. Airlines and rental cars would also lose revenue and Hawaii would lose the taxes on those services as well. There are many other local citizens who would be hurt such as thousands of cleaners, vendors, maintenance workers and property managers. Basically, this bill would destroy an entire local business and employee market segment and tax source.

- **If this Bill passes, there will be no more month-to-month rentals in Hawaii.** This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?
- **I recently rented my house to a scientific team for 45 days who worked with a local marine biologist who needed the visiting team to assemble and quarantine prior to meeting for the research. This was a direct benefit to Hawaii and would not have been possible if this bill is enacted.**

SB-2919-HD-1

Submitted on: 3/30/2024 2:36:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sylvia Dahlby	Individual	Oppose	Written Testimony Only

Comments:

Please vote NO and stop scapegoating locally owned STRVs and small business owners for the housing shortage problem that's been escalating for DECADES. I appreciate taking a multi-faceted approach, and the crackdown on illegal STVRs.

Consider unintended consequences if this ill-advised Bill passes:

- **There would be month-to-month rentals available in Hawaii.** This will create yet another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing (ie, folks who are relocating to or from the islands).
- **Kama'aina need mid- and short-term rentals.** Inter-island business travelers depend on lower cost accommodations, as do family and friends from neighbor islands coming to visit ohana and need a more affordable place to stay. Here in Hilo during Merrie Monarch week, all hotels are fully booked; there are simply not even enough hotel rooms for the influx of visitors and halau from neighbor islands. Where are they supposed to stay?
- **More affordable temporary and month-to-month housing is needed for displaced residents.** I have made my unit available for no cost or drastically discounted rate for folks displaced by hurricanes, floods and volcanic activity. Where will island residents find temporary, furnished housing if the STVR industry is further decimated?

RE: OPPOSITION TO SB2919

Aloha Representative Yamashita, Chair; Representative Kitigawa, Vice Chair; and Members of the Committee:

My name is Arcelia Gama, and I live and work on the island of Maui.

I am writing in OPPOSITION to SB2919 because it threatens my ability to make a living - just like it threatens the other cleaners, electricians, maintenance workers, landscapers, shop keepers, restaurant owners and small businesses like me, who live and work in my community.

I own a small cleaning business that provides services to short-term vacation rentals on my island. I make a good living. I create my own schedule, and work very near where I live, reducing my commute time. All of this contributes to a good quality of life. It allows me to support not just myself and my two children as a single parent, but my aging parents who live with me as well.

The Lahaina fire destroyed several of the homes and condos I used to clean, and several others have been transitioned to long-term housing for Lahaina fire survivors, for which I am not hired to clean. This has definitely created challenges for me and really reduced my income.

But it's NOTHING compared to what this bill would do. This bill will hurt me and put at risk my ability to pay for my own housing and bills. It would literally put me out of business and destroy my livelihood.

PLEASE - let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you.

Respectfully submitted -
Arcelia Gama, Maui resident and small business owner

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** H.B. 1838, HD1 for the following reasons:

My name is Kathleen Paganelli and my husband and I have owned a condo at Papakea Resort for 9 years. We want to see Maui County thrive for all its people in the coming months and years.

Papakea Resort was built in 1978 and has operated as a vacation rental for almost fifty years. Most condos are fewer than 600 square feet and were marketed and sold as vacation rentals. These small condos, with limited parking, are not reasonable long-term housing for residents. The high AOA fees, maintenance assessments and mortgage payments all prevent Papakea from becoming a sustainable long term housing option for most people.

Papakea supports the local economy employing approximately 35 local resident employees, some have worked at Papakea over 15 years. Papakea supports a variety of local businesses from pest control, HVAC, cleaning companies, plumbing, locksmith, tree trimming, etc. The list is long.

Without the short-term rental revenue we would not be supporting these business or maintaining all current staff at Papakea. Please study the long-term impact on the local jobs before you would take such a drastic move. I do not see how this will improve the housing crisis on Maui.

Papakea STRs support the State of Hawaii and County of Maui through taxes such as GET, TAT and property taxes. Our rental GET and TAT tax alone was over 10k in 2021. (the last year I have easy access to as I write this). Multiply times just the 200 or more likely rentals at Papakea alone and it is substantial. I think stopping short term rentals will lead to more illegal rentals popping up in the long run and not contribute to long term housing for residents. Maui loses out on taxes and it has not solved other problems.

Hawaii does have an affordable housing problem but targeting all STRs is not the answer.

For the reasons stated herein I OPPOSE H.B. 1838, HD1 and urge the committee to defer it.

Respectfully submitted,

Kathleen Paganelli

SB-2919-HD-1

Submitted on: 3/30/2024 2:49:22 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Katie Steuart	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. I believe this will wreak havoc on the community and cause many to loose their jobs, cause the county to loose income and line the pockets of the big resorts.

SB-2919-HD-1

Submitted on: 3/30/2024 2:55:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Krauchek	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

Our condo resort, Papakea was built in 1978 and has operated as vacation rentals for almost fifty years. It has never been workforce housing that converted to a transient vacation rental. It was initially marked and sold as a vacation rental properly. The average size of the units are under 600 square feet with limited parking with no storage space. These units are not practical for long term living. The resort is not in a residential neighbourhood and is located within a stretch of Otel zoned properties and multiple commercial properties. Unlike apartment buildings designed for long term residential used, Papakea has a front desk and an activity concierge, shared activity space and numerous other commons resort amenities. We rent our unit out to many repeat visitors that continue to come to Maui to support local businesses like retail shops, restaurants, and local tourism. Our STR also supports many companies within Maui like furniture stores, HVAC companies, pest control, housekeeping businesses, contractors, rental management companies and other local trade professionals. Theses local residents rely on our business to keep their employees and businesses running. Without our business will put these folks out of business with fewer employment opportunities.

Papakea Resort itself employs approximately 35 local resident employees; some have worked at the property for over 15 years, and we can only support the current personnel and operational maintenance levels with high maintenance dues which rely on short-term rental revenue. Unsubsidized long herm rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes and insurance which prevents Papakea from every becoming a sustainable long term housing option. Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the higher short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. This would be a huge loss to of revenue to the state if STR is phased out.

Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.” The counties already have authority to regulate illegal short-term rentals that are

disrupting residential neighborhoods. This bill does nothing to solve the problem of illegal short-term rentals.

This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution. In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

Respectfully submitted,

KAREN KRAUCHEK

SB-2919-HD-1

Submitted on: 3/30/2024 3:04:20 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Krauchek	Individual	Oppose	Written Testimony Only

Comments:

· My name is Mike Krauchek, and I want to start by thank the committee for this opportunity to submit my written testimony on opposing this bill.

· Papakea was built in 1978 and has operated as a vacation rental property since inception. It has never been nor designed for a workforce housing development. The overwhelming majority of the units are less than 600 square feet, with minimal storage for household essential supplies and clothing. There is no exterior storage for large sporting equipment such as surf boards and fishing gear. There is very limited parking with no electric charging stations, and no room for storage structures for general maintenance of personal vehicles.

· Passing the bill to phase out short term rental will have a very wide reaching negative effects on the local economy and its residents. The short term rental ecosystem has evolved to provide the wide ranging type and quantity of local shops and food establishments all along the west coast of the island. Guests of the rental system are avid users of the local tourism attractions and support local business when they are available. The visitors presents on island have far reaching effects from supporting the need for airport workers and the car rental agents to fishing boats and sunset cruises. They shop for food, merchandise and experience the culture all over the island as they explore and marvel at the natural beauty around them. Tourists help support the economy all across the island and secondarily help the state by paying both local and state taxes. Tourism brings in millions of tax dollars for the state and county to maintain and enhance the local water, power and road infrastructures. The loss of tourism tax dollars will have a far reaching negative financial effect all across the island, which in turn would burden the local residents even more.

· The short term rentals industry has developed a background network of local business people who rely almost exclusively on the rental industry. These people are small business owners and local workers who provide services and products that would not commonly needed by local residences living in these building. The high standards set out by rental industry requires that the units be very well maintained and service regularly. The services regularly used by the owners are, but not limited to, HVAC services, painting, plumbing and handman services, pest control and then the rental administration and housekeeping teams, all local people. Another local industry that benefits greatly is the furniture and household appliance business. Rental owners are compelled to upgrade their furniture and appliance every five years or so to prevent unwanted breakdowns.

· Papakea employs approximately 35 local residents / families with many working on site for over 15 years. This large complex requires a great deal of daily maintenance and ground care, which comes with a very high payroll to keep these 35 family members employed. Most local residents would not be willing or able to continue to pay these high ground fees without subsidies from government or from tourist paid taxes and fees.

· It is for these reasons and others that I OPPOSE bill HB1838, and urge the committee weight the total costs of the loss of tourism, and vote NO on this matter.

· Thank you,

SB-2919-HD-1

Submitted on: 3/30/2024 3:09:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Dawn Krauchek	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

Our condo resort, Papakea was built in 1978 and has operated as vacation rentals for almost fifty years. It has never been workforce housing that converted to a transient vacation rental. It was initially marketed and sold as a vacation rental properly. The average size of the units are under 600 square feet with limited parking with no storage space. These units are not practical for long term living. The resort is not in a residential neighbourhood and is located within a stretch of Otel zoned properties and multiple commercial properties. Unlike apartment buildings designed for long term residential used, Papakea has a front desk and an activity concierge, shared activity space and numerous other commons resort amenities. We rent our unit out to many repeat visitors that continue to come to Maui to support local businesses like retail shops, restaurants, and local tourism. Our STR also supports many companies within Maui like furniture stores, HVAC companies, pest control, housekeeping businesses, contractors, rental management companies and other local trade professionals. Theses local residents rely on our business to keep their employees and businesses running. Without our business will put these folks out of business with fewer employment opportunities.

Papakea Resort itself employs approximately 35 local resident employees; some have worked at the property for over 15 years, and we can only support the current personnel and operational maintenance levels with high maintenance dues which rely on short-term rental revenue. Unsubsidized long herm rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes and insurance which prevents Papakea from every becoming a sustainable long term housing option. Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the higher short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient

Accommodations Tax. This would be a huge loss to of revenue to the state if STR is phased out.

Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.” The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods. This bill does nothing to solve the problem of illegal short-term rentals.

This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution. In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

Respectfully submitted,

KAREN DAWN KRAUCHEK

SB-2919-HD-1

Submitted on: 3/30/2024 3:10:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Krauchek	Individual	Oppose	Written Testimony Only

Comments:

My name is Mike Krauchek, and I want to start by thank the commitee for this opportunity to submbit my written testimony on opposing this bill.

· Papakea was built in 1978 and has operated as a vaction rental property since inception. It has never been nor designed for a workforce housing development. The overwhelming majority of the units are less than 600 square feet, with minimal storage for household essential supplies and clothing. There is no exterior storage for large sporting equipment such as surf boards and fishing gear. There is very limited parking with no elcetric charging stations, and no room for storage structures for general maintanace of personal vehicles.

· Passing the bill to phase out short term rental will have a very wide reaching negitive effects on the local economy and its residents. The short term rental eco system has evolved to provide the wide ranging type and quantity of local shops and food establishments all along the west coast of the island. Guests of the rental system are avid users of the local tourism attactions and support local business when they are available. The vistitors presents on island have far reaching effects from supporting the need for airport workers and the car rental agents to fishing boats and sunset cruises. They shop for food,merchandise and experience the culture all over the island as they explore and marvel at the natural beauty around them. Tourists help support the economy all across the island and secondarily help the state by paying both local and state taxes. Tourism brings in millions of tax dollars for the state and county to maintain and enhance the local water, power and road infastructures. The loss of tourism tax dollars will have a far reaching negative finacial effect all across the island, which in turn would burden the local residents even more.

· The short term rentals industry has developed a backgroud network of local business people who rely almost exclusivlely on the rental industry. These people are small business owners and local workers who provide services and products that would not commonly needed by local residences living in these building. The high standards set out by rental industry requires that the units be very well maintained and service regularly. The services regularly used by the owners are, but not limited to, HVAC services, painting, plumbing and handman services, pest control and then the rental administartion and housekeeping teams, all local people. Another local industry that benifits greatly is the furniture and household appliance business. Rental owners are compelled to upgrade their furniture and appliance every five years or so to prevent unwanted breakdowns.

· Papakea employs approximately 35 local residents / families with many working on site for over 15 years. This large complex requires a great deal of daily maintenance and ground care, which comes with a very high payroll to keep these 35 family members employed. Most local residents would not be willing or able to continue to pay these high ground fees without subsidies from government or from tourist paid taxes and fees.

· It is for these reasons and others that I OPPOSE bill HB1838, and urge the committee weight the total costs of the loss of tourism, and vote NO on this matter.

· Thank you, Michael Krauchek

SB-2919-HD-1

Submitted on: 3/30/2024 3:18:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keith and Melanie Hyde	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE SB2919 for the following reasons:

Papakea, an AOA of 364 units, was built in 1978 and has offered short term vacation rentals (STRs) by individual owners for almost fifty years. If unable to continue doing STRs Papakea will not be able to support the local economy of Maui in many ways that are valuable to the local and state economy.

Papakea directly employs approximately 35 local residents. Some have worked at the property for over 15 years; some started in entry-level positions and have advanced into supervisory roles. Others have moved to positions at other resorts on Maui but learned valuable skills during their time at Papakea.

In addition to direct employees, Papakea AOA supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual owners at Papakea use the services of many, many additional small businesses in the Maui community in the maintenance of their units including housekeepers, handymen, on-island agents, and contractors. Many other people are employed by required support businesses such as our management company My PerfectStays, which employed 50 people before the fire and hopes to return to that number soon.

Without STRs like Papakea most of these people, residents of Maui, would lose their jobs or suffer a reduction in hours.

Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (the vast majority at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Papakea can only support the current personnel and operational maintenance levels with high maintenance dues which rely on short-term rental revenue. Without the revenue created by STRs, the property will most certainly decline, physically and financially, and tax revenues will also decrease.

Papakea guests generate revenue for the state when they patronize businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

A stay on Maui is already a more expensive vacation compared with other destinations. A loss of available STRs would result in an increase in the prices of the remaining properties, making Maui too expensive for a large swath of visitors resulting in an overall decrease in tax revenue.

Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community. Our owners are also deeply connected to the community. After the fires last August, many opened their units to our ohana and they were able to stay on site at a most difficult time.

On a personal level, we have been owners at Papakea for 13 years and have not seen positive cash flow from our unit in that time. We struggled through Covid times with seven months of no revenue during which we had to continue to pay our taxes and other expenses. After the fires we grieved with our ohana and helped out as much as we could. We have stayed the course because we love Maui and feel part of the community here. However, if we are no longer allowed to do STRs, we and many like us, will have to sell our property, likely at reduced rate, and Maui's tax revenue will again go down.

For the reasons stated herein I OPPOSE SB2919 and urge the committee to do the same.

Respectfully submitted,

Keith and Melanie Hyde

SB-2919-HD-1

Submitted on: 3/30/2024 3:28:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Luke	Individual	Oppose	Written Testimony Only

Comments:

What happened to the "live and let live" rule? Why is the hotel industry the only business allowed to accommodate people wanting temporary shelter?

I've supported myself for 30 years by renting for short periods. I'll be 80 this year and would like to celebrate at home instead of shopping for a home on the mainland.

SB-2919-HD-1

Submitted on: 3/30/2024 3:51:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anand Mudliar	Individual	Oppose	Written Testimony Only

Comments:

As a property owner at Papakea, I am against SB2919 SD2 for the following reasons: Papakea has been functioning as vacation rentals since 1978, supporting approximately 35 local resident employees. Some of these employees have been with the property for over 15 years, starting from entry-level positions and progressing into supervisory roles.

Papakea contributes to the local economy by employing various trade professionals such as pest control, HVAC, plumbing, electrical, and tree trimming services. The current maintenance levels and personnel at Papakea are sustained by high maintenance dues, which rely on revenue generated from short-term rentals.

Short-term rentals at Papakea support numerous small businesses in the Maui community, including housekeeping services, handymen, on-island agents, and contractors. Papakea's short-term rentals contribute to the State of Hawai'i and County of Maui through property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Guests staying at Papakea also support local businesses on the island, including restaurants, food trucks, tour operators, state parks, national parks, and shops.

Papakea has a significant number of returning guests who have been visiting Maui for years and have established strong connections with the community. Based on the reasons outlined above, I oppose SB2919 SD2, and urge the committee to defer it.

Respectfully submitted,

Anand Mudliar

SB-2919-HD-1

Submitted on: 3/30/2024 4:30:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Len Gambla	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

The language in this proposed Bill opens the door for the Hotel Industry to influence just a few people in each County to eliminate competition in my opinion. I understand some areas of some Counties are abusing the privilege of having short term rentals and prefer the Counties look at case by case situations rather than having a blanket approval to eliminate or amortize existing businesses that not only do not harm the communities, but who actually create jobs closer to many people's homes at least in Hawaii County. By giving Hawaii County the authority to eliminate STRs, it forces people in the industry to work for the hotels. I much prefer Bills that create entrepreneurial outcomes and choices for folks rather than having people beholden to the larger companies -- who by the way, send the majority of their profits off islands as opposed to single owner STRs who recycle into the local economies.

The '..ensure the greatest benefit for the State as a whole..' language in the Bill is what this Bill is about in essence. Promoting entrepreneurship to people who live on the Islands would do much more to keep folks in the Islands that creating more jobs at hotels. This would mean creating a Bill that would promote short term rentals while reducing/eliminating some of the problems some areas face today. That would be something I would wholeheartedly support.

This proposed Bill as written has room for improvement so that we do provide the 'greatest benefit to the State as a whole.."

In short, I oppose the Bill as written.

Respectfully, Len Gambla

Papaikou, HI

SB-2919-HD-1

Submitted on: 3/30/2024 4:45:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kevin Dieffenbach	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

As the owner/manager of a single short/mid-term rental townhouse in the Ko'Olina Resort area, I am vehemently OPPOSED to Bill SB2919.

Most of my tenants have included families in transition to/from Hawaii; including Military & Teachers, as well as Medical staff and Resort workers. My current tenant family is moving here while their daughter attends UH.

I fill gaps between the above mid-term renters with monthly Vacationers who could not afford to visit Hawaii if forced to stay in expensive Resort Hotels..

I have diligently paid all of the associated GET/TAT/Income taxes.

Ko'Olina Resort is exactly that, a Resort. It was not developed as a significant contributor to long-term local resident housing. I bought my unit specifically because of it's location and purpose.

The income not only supports the local economy, but is helping pay for my 2 children's college education

I strongly urge defeat of this Bill, or at the very least, exemption of Resort areas like Ko'Olina.

Sincerely,

Kevin Dieffenbach

SB-2919-HD-1

Submitted on: 3/30/2024 4:54:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
RUSSELL KEKUEWA	Individual	Oppose	Written Testimony Only

Comments:

I PURCHASED MY HOME 14 YEARS AGO WITH A LICENSE TO OPERATE AS A SHORT-TERM RENTAL. I'VE BEEN PAYING IN EXCESS OF \$100,000 A YEAR IN TAXES IN COMPLIANCE WITH HAVING THIS LICENSE. MY BUSINESS CATERS PRIMARILY TO MULTI-GENERATIONAL FAMILIES NOT LOOKING FOR A MULTI-ROOM HOTEL ACCOMODATION. IT IS LIKELY THAT THEY WILL FIND ALTERNATIVE DESTINATIONS IF SUCH ACCOMODATION IS NOT AVAILABLE. I EMPLOY COUNTLESS NUMBERS OF VENDORS - CLEANERS, GARDENERS, HANDYMEN, LAUNDRY SERVICE, SECURITY SPECIALISTS, PROPERTY MANAGEMENT, ETC., CHANNELING INCOME INTO THE LOCAL ECONOMY. PLS THINK TWICE ABOUT ELIMINATING LEGITIMATE OPERATORS WHICH CONTRIBUTE TO HAWAII'S WELFARE AND ECONOMY. PLEASE ENFORCE THE EXISTING REGULATIONS ON ILLEGITIMATE OPERATORS RATHER THAN PASSING A BLANKET BILL WHICH WILL HARM THE "GOOD GUYS". THE LIKELIHOOD IS HIGHER THAT ILLEGITIMATE OPERATORS WILL CONTINUE THEIR PRACTICE WHETHER OR NOT YOU PASS THE BILL.

SB-2919-HD-1

Submitted on: 3/30/2024 4:57:03 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Chong	Individual	Oppose	Written Testimony Only

Comments:

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

Therefore, I strongly oppose to this Bill.

SB-2919-HD-1

Submitted on: 3/30/2024 4:58:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eunkyue Park	Individual	Oppose	Written Testimony Only

Comments:

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

Therefore, I strongly oppose to this Bill.

SB-2919-HD-1

Submitted on: 3/30/2024 5:17:31 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Taylor	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and esteemed members of the Committee,

My name is Gregory James Taylor and I am here today to express my opposition to SB2919. I am grateful for the opportunity to testify regarding this bill.

I'd like to provide some background on Papakea before delving into the reasons for my opposition to SB2919:

- **Papakea is a remarkable ocean-front property, completed in 1978, comprising 364 individual condominiums.**
- **Initially marketed and sold as a legal vacation rental property, Papakea predates any zoning restrictions that later limited transient vacation rentals in apartment-zoned properties.**
- **For nearly fifty years, Papakea owners have been operating legal vacation rentals.**
- **It's essential to note that Papakea was never designated as workforce housing and has never served as such, making it distinct from properties that converted from workforce housing to transient vacation rental use.**
- **The majority of Papakea's units are under 600 square feet, and the property has limited parking.**
- **Papakea is situated adjacent to hotel-zoned properties and various commercial establishments, not within a residential neighborhood.**
- **Unlike apartment buildings intended for long-term residential use, Papakea features a front desk, activity concierge, shared activity space, and other resort amenities.**
- **Papakea's resort operations necessitate extensive maintenance, resulting in high monthly maintenance dues compared to properties designed for long-term housing.**
- **The costs associated with maintaining an ocean-front property, including maintenance dues, special assessments, mortgage payments, property taxes, and insurance, render long-term rental financially unsustainable.**

Furthermore, Governor Green emphasized that existing laws and regulations could be enforced without the need for new legislation. Counties already possess the authority to regulate illegal short-term rentals that disrupt residential neighborhoods, rendering SB2919 redundant in addressing this issue.

This bill threatens to retroactively ban the primary purpose for which Papakea was designed and built in 1978. Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal, based on nearly five decades of Maui County ordinances, Hawaii revised statutes, and constitutional protections. Any phase-out of short-term rental use without just compensation would be unconstitutional, given owners' substantial investments in renovations, furnishings, and long-term financial commitments.

Moreover, Papakea contributes significantly to the community:

- **Its resort operations provide employment for approximately 35 local residents, some of whom have been with the property for over 15 years.**
- **Papakea supports numerous local trade professionals, including pest control, HVAC, plumbing, electrical, and tree trimming services.**
- **Many small businesses owned and operated by Maui residents rely on Papakea short-term rentals, including housekeepers, handymen, on-island agents, and contractors.**
- **Papakea short-term rentals generate revenue for the State of Hawaii and Maui County through property taxes, Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.**
- **Guests staying at Papakea support various small businesses on the island, including restaurants, food trucks, tour operators, state parks, national parks, and shops.**
- **Papakea boasts a substantial number of returning guests with deep connections to the community, contributing to Maui's tourism economy.**

Considering these points, I respectfully urge the committee to vote against SB2919. This bill, if enacted, would have detrimental effects on Papakea's owners, employees, local service providers, and the broader Maui community.

Thank you for considering my testimony.

Sincerely,

Gregory James Taylor

SB-2919-HD-1

Submitted on: 3/30/2024 5:39:01 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Brant	Individual	Oppose	Written Testimony Only

Comments:

This is NOT the way to deal with Short-Term Rentals! The Honolulu City Council showed how it should be done with their long, careful process of consulting all involved parties to come up with legislation that is fair to all while working effectively to control possible problems with STRs. In contrast, the State is simply offering blanket elimination - a nuclear option when more targeted and intelligent approaches would solve problems without destroying livelihoods and investments (which is why this proposal will be found illegal by the courts). Thank you.

SB-2919-HD-1

Submitted on: 3/30/2024 5:42:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Miranda Camp	Individual	Oppose	Written Testimony Only

Comments:

Please oppose this bill to phase out short term rentals in Hawaii. Short term rentals supply the state with so much revenue in taxes that are needed. They also are a more affordable way for tourists to visit. This bill will cut tourism drastically and that will have a chain reaction of hurting local businesses, causing homelessness, loss of tax revenue, etc. The pandemic caused enough of our local businesses to fold, we can't afford to have a lot more people unemployed in our counties and our state. This is not a good policy for the future. Mahalo!

SB-2919-HD-1

Submitted on: 3/30/2024 5:56:29 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe Schneckenburger	Individual	Oppose	Written Testimony Only

Comments:

This bill would be very bad for all citizens of Hawaii as revenue of business will drop dramatically and tax revenues will plummet. Government will raise everyone left here to make up for it. Vote NO.

SB-2919-HD-1

Submitted on: 3/30/2024 6:08:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
YUAN WANG	Individual	Oppose	Written Testimony Only

Comments:

Please vote no. I will have to join all the other Hawaiians on the 9th island in Las Vegas if this passes. I use my vacation rental to afford to live here with the high cost of living and taxes. Likely a mainlander would buy my condo and leave it empty most of the year.

SB-2919-HD-1

Submitted on: 3/30/2024 7:25:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Megan Palmer	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-2919-HD-1

Submitted on: 3/30/2024 8:25:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ronald Michael Auth	Individual	Oppose	Written Testimony Only

Comments:

My name is Ronald Michael Auth Jr and I OPPOSE SB2919. I am a Hawaii resident, I live at Maui Lani Terrace 3740 Lower Honoapiilani Rd, C302, Lahaina HI 96761. Once again I OPPOSE SB2919.

SB-2919-HD-1

Submitted on: 3/30/2024 10:10:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Scott Najima	Individual	Oppose	Written Testimony Only

Comments:

I purchased my Turtle Bay property with the understanding that Oahu County had come to a final decision that Waikiki, Ko Olina and Turtle Bay would allow short term rentals. I try to be a good citizen and bought this in good faith, putting my retirement funds into it to fund my retirement. There are a lot of locals and kupuna who are trying to pay for their retirement in a very expensive state.

I also have a lot of friends who make their living as a housekeeper or technician helping to clean and maintain these units. On the North Shore, there are very few jobs already. What would they do? There is only one hotel!

I can understand controls on the other islands, particularly Maui, but haven't we been through this on Oahu already? It seems we would do better to try and enforce the laws we already have on the books rather than pull the trigger on what is basically a nuclear bomb.

Please support the little people instead of the hotel lobbyists and do not pass this bill!

With Much Aloha,

Scott Najima

SB-2919-HD-1

Submitted on: 3/30/2024 10:13:56 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Fernandez	Individual	Oppose	Written Testimony Only

Comments:

OPPOSE SB2919

I am tired of the State and County politician use the Maui fire to demonize the current legal short term rentals that rent less than 30 day and now wish to expand this regulatory into regular rentals 30 days or more. It has been the State along with the legislature who have faile dmiserably to adequately provide housing for the victoms of the Maui fires even though the State was flushed with billions of dollars for such a disaster. Then you have the Hawaii Federal delegation and every State representative line up in front of the President for a glorious photo op. Well if the folks from Lahaina are still without adequate shelter blame yourselfs and dont pass the buck to the vacation rentals and other types of rental owners for this disaster. What happens next? Just to become popular are you going to start confiscating private homes?

If you think you can get away with this at the local level wait til we bring this to the Federal courts. But then again as two bit politicians you dont care if the local tax payers have to flip the attorney costs like the City of Honolulu had to do with the summary judgement against the ill fated ordinance 22-7.

See you all in court.

Richard

SB-2919-HD-1

Submitted on: 3/30/2024 10:18:50 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
RALPH FURLEY	Individual	Oppose	Remotely Via Zoom

Comments:

I oppose this SB2919,

I have been a landlord for over two decades and I wish to share with you a list of negative impacts on Oahu if a 90 day rental restriction is ever imposed. The following negative impacts are real and part of the fundamental merits that Federal Judge Watson based his temporary injunction and summary judgement against Oahu's ill-fated Oahu ordinance 22-7:

1. More shortages of essential workers in Hawaii. You read this on the news all the time. From technicians to medical staff that require mid-term (30-180 days) lodging. Such workers obviously require the same basic amenities as long tenants: a kitchen, free parking, ample space and affordable lodging and shopping versus expensive tourist traps in the resorts areas. A large majority of these workers will not travel to Hawaii if required to stay in a hotel for an extended period of time. Passing SB 2919 and allowing the county of Oahu to impose ordinance 22-7 will only compound this shortage of necessary medical and other professionals. Oahu is already the epicenter where many inter-island patients have to fly and get medical treatment. My neighbor's wife was requested to be released from the Queens hospital back in 2023 due to overcrowded patients from the other islands.
2. Exacerbate the rate of inflation in Hawaii. Besides essential workers there are countless of companies who bring workers specializing in various crafts whose services are necessary throughout our local communities here on Oahu. From Hensel Phelps to Kiewit these companies provide electrical, irrigations, rail, and other specialties to keep our island running. Lodging their staff in hotels which charge triple the amount than local monthly rents will obviously pass down the costs to the local communities.
3. Local families temporary displaced will endure even more hardship. Just imagine local families whose homes are undergoing home repairs or upgrades or temporarily displaced due to disasters such as the Red Hill water contaminations or the Maui fires. It's unimaginable how local families with children are going to be holed up in small cramped and expensive hotel in remote resort zones. Even insurance companies know better and house these families at local residential rentals on a monthly basis until they can get back.
4. Less visiting families will come to Hawaii. Typically many local residents put up their visiting relatives or friends in nearby monthly rental to either help them during births, illnesses or other emergencies. Just imagine compounding their saga with unreasonable

rental restrictions? Many local families nor their visiting relatives/friends cannot afford paying a hotel for an extended period of time.

5. Less families relocating to Hawaii. How on earth are we going to supplement tax revenues and increase our economy with a deficiency in population growth? Just imagine the first dreadful experience an incoming family consisting of 2-5 children will endure locked up in a hotel for up to 90 days while they look for a home? Just think about that? Half of my monthly rental tenants are families with kids needing a home for about 1.5 - 2 months while they settle down. Such overly regulatory and draconian rental restrictions will quickly reverse families from even considering to come live here and contribute economically.
6. Constraint on local service workers. Many local residents, who primarily work in the service sector pursue and seek better jobs throughout Oahu at anytime. For this reason many local couples specifically look for furnished rentals with flexible monthly leases to easily relocate to another residence near their new job site. Image the long commutes and gas expenses these renters will endure without the opportunity to freely relocate because they are restricted with a 90+ day rental agreement?
7. Adversely affect the rental income of local landlords. Consider many tenants who can and will have the right to break their leases prematurely. It's happened to me many times. A landlord will easily lose thousands in rent unable to re-rent until the 90 day restriction is reached. Many kapuna who do not work and local landlords cannot afford such income disruptions in their lives.

Summary. The 30 day minimum rental restriction is the norm and precedence throughout the rest of the United States and especially necessary in an isolated place like Hawaii that requires diverse options. A healthy and vibrant economy requires a mix of lodging options for a normal society to function such as a:

1- tourism market (consisting of stays less than 30 days),

2- monthly accommodations market for out of state and locally transient workers (consisting of mid term rentals of 30-180 days) and

3- long term rental market for residents of over 180 days.

This SB2919 along with Honolulu ordinance 22-7 will intentionally interfere with a reasonable lodging ecosystem and allow hotel's to monopolize a lodging sector that they are not even suitable to provide. Such market disruptions by politicians concern with being popular versus basing decisions on sound and reasonable economic facts will only make matters worse for local Hawaii residents.

So learn to serve us not hurt us,

Ralph Furley

SB-2919-HD-1

Submitted on: 3/30/2024 11:24:41 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Victoria Johnson	Individual	Oppose	Written Testimony Only

Comments:

SB2919

I strongly Oppose

SB2919 is a bill that aims to give Hawai‘i’s counties more authority to regulate and potentially phase out short-term vacation rentals (STRs) in residential and agricultural areas. While the stated goal is to address housing affordability and availability, the potential economic impacts of this legislation are significant and complex.

On one hand, proponents argue that reducing the number of STRs will free up housing units for long-term residents, helping to alleviate Hawai‘i’s housing crisis. A 2020 study found that STRs added \$6 billion to Hawai‘i’s economy and supported 46,000 jobs

[3](#)

. Eliminating these rentals could therefore have a cascading negative effect on other tourism-related businesses like restaurants, car rentals, and retail

Additionally, legal STRs generate substantial tax revenue for the state, with one estimate of \$132.6 million in transient accommodations tax in 2018

[4](#)

. Reducing this revenue stream could make it more difficult for Hawai‘i to "make ends meet" under the current budget

[4](#)

How will the state compensate for the MASSIVE LOSS? Have any budget impacts been considered? Ask the budget committee..

Losing Temporary Housing Options

Right now, STRs provide housing for people who need it for a short time, like:

- Residents who have been displaced from their homes
- People coming to Hawai'i for medical treatment
- Traveling workers like nurses
- Military members and students

If there are fewer STRs, these people will have a difficult time finding affordable, temporary places to stay.

HELPING during Emergencies

STRs have been important during emergencies like the Red Hill crisis and Marco Polo fires. They gave displaced residents a place to stay. With fewer STRs, this could be harder in the future.

LOSING TAX REVENUE

STRs bring in a lot of money for Hawai'i through taxes - about \$132 million in 2018. If there are fewer STRs, this tax revenue will go down, making it harder for the state to pay for important services.

SB2919 is trying to solve the housing crisis by turning STRs into long-term rentals. But it's important to also think about the need for temporary housing. A good solution might be to find a balance between the two.

If so many people are moving off the island, where are their empty houses going?

Overall, SB2919 is a complex issue with pros and cons. Lawmakers need to carefully consider all the effects as they decide how to move forward. Please don't rush into this decision

Respectfully submitted

Victoria Johnson

SB-2919-HD-1

Submitted on: 3/31/2024 1:28:31 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Heath	Individual	Oppose	Written Testimony Only

Comments:

My husband and I are fortunate to own a small one-bedroom condominium in Kuilima Estates West, Turtle Bay that we operate as a short-term rental (NUC). It is not ideal as a permanent residence due to its small size and total lack of storage. We are not residents, but do have strong ties to the islands that span many decades.

Owning this condo allows us to economically visit family once or twice a year and the rental income supplements our retirement.

To keep our condo renting and renting well, we employ two property managers, a house cleaner, a pest control company, contractors for both small and large jobs. We purchase all furnishings, linens, supplies, etc locally. While we are visiting, we spend locally - grocery stores, hardware stores, restaurants, etc. We serve a significant percentage of guests (local or visiting) who either can't afford hotel prices or prefer to stay in an accommodation where they can prepare their own meals and feel more a part of a community. Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

I respectfully request that you oppose SB2919.

Thank you for reading my testimony.

SB-2919-HD-1

Submitted on: 3/31/2024 3:09:12 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Harris	Individual	Oppose	Written Testimony Only

Comments:

Thank you Committee members for taking time to listen to our concerns on SB2919. I am opposed to SB2919. I am sure you have heard numerous testimonies on the impact of cancelling LEGAL STR's. Just to review them.

> 45 million in last 5 years to affordable housing fund

> STR's support local business such as restaurants and support personnel such as property management companies, maintenance companies, housekeeping, etc.

> Over 40% of taxes are paid from STR's, which is 7 times more that the hotels

> Majority of the owners of the STR's, including us, housed victims of the fire and most owners gave back to the County of Maui by volunteering during the diaster by working at food and water distribution centers. It doesn't get more dedicated and caring than donating your time for that.

> It is estimated in 2024 the STR's will be giving over 13.5 million in just the Affordable Housing Fund.

I urge the Committee to take this in to consideration when making a decision on SB2919. If this bill passes, it could be another major catastrophe for the County of Maui, like COVID and the fires were. Business have now started to rebuild and open up. That's part of the rebuilding process and this needs to continue, rather than hindering the process, buy cutting the money that would help out. Thank you for your time.

Thank you for the opportunity to share with you my opposition to SB2919.

My husband and I have owned a condominium at Papakea for over 25 years. Papakea was built in the late 1970s with 364 units and marketed as an oceanfront vacation rental resort from the beginning.

During these many years, Papakea has provided immeasurable support to the community through employing businesses such as tree trimming, pond maintenance, and construction. Maintenance, grounds and front desk operations for this large property rely on employing local residents, as well. Without the amenities a resort such as Papakea has to offer, those types of services would not be required.

In addition, short term rental units employ many local residents and small businesses—housekeeping, maintenance, florists, restaurants, stores and activity providers.

Another consideration for opposing this bill is the huge hit the county budget would suffer. The tax revenue STRs on Maui provide through TAT, GET and MCTAT are an enormous portion of the county's budget. Without that revenue, the shortfall would be borne by local residents or many services would have to be cut. That is something I don't believe anyone wishes to see.

During a recent visit my husband and I were able to assist the community in a small way by volunteering at the Honokowai Beach Park distribution center established after the August fires. The great need was evident but the outpouring of support was heartwarming to witness. I know many owners at Papakea have offered similar assistance during these difficult times.

For the reasons stated above, I OPPOSE SB2919, SD1 and urge the committee vote no on this matter.

Respectfully submitted,

Jenelle Morella

SB-2919-HD-1

Submitted on: 3/31/2024 4:09:04 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jane Moy	Individual	Oppose	Written Testimony Only

Comments:

Dear Council Member:

Dear Council Members:

My family and I strongly oppose this Bill SB2919 SD2 HD1. This Bill is not to stop illegally operating short-term rentals. This Bill goes after operators who are in full compliance of the law for possibly decades like my family who depends on this revenue. This bill will give the legislature wide sweeping powers to negatively affect many families who rely on the TVU's to support themselves living in Hawaii. TVU's are a driving force of the Hawaiian economy and with a magic wand, the legislature appears to want to wipe all of them away to the detriment of many Hawaiians living and working additional jobs to make a living.

We have operated legally within our particular location with a legally nonconforming certificate as well as a unit without a NUC while paying state GE tax 10.25%, TAT tax 4% and Honolulu County 3% tax, .05% Oahu County Island surcharge. A total of 17.3% in taxes alone on each unit, not to mention our large HOA fees to help keep the maintenance and the economy running. We were never informed we were in the wrong otherwise as the city and state collected their taxes and fees from us.

This Bill is not a regulatory act to eliminate an illegal use, instead the focus is to eventually eliminate all short-term rentals even with NUC's who have been in compliance for many, many, many years. It will primarily help boost the bottom line for hotels and motels while eliminating their short-term rental competition. Why can't legal short-term rentals continue to coexist with hotels and motels? Eliminate the illegal operating short-term rentals. Oahu is down to only 2,000 legal short-term rental units excluding the hotel units. We cannot afford to lose more.

This Bill is not necessary. Many short-term rentals (STR's) have operated legally in Hawaii for decades. STR's are a big part of the economy and a big option choice for tourists and short-term employees such as visiting doctors, nurses, construction workers, educators, military, students as well as displaced residents, newly housed residents, residents in transition and inter-island

residents coming for medical treatments and/or visit family. The STR's are an integral part of the Hawaiian economy from cleaners, transportation, realtors, suppliers and restaurants, to the grocery stores. Events like the Red Hill Crisis, Marco Polo fires and the Lahaina fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry of STR's is decimated?

When visitors come and stay in a STR, they usually have a kitchen and cook for themselves spending money all over in the economy from groceries to gas for their rental cars and activities, but saving at the same time from not staying in expensive hotels. If people did not have this STR choice, they might have never come to experience Hawaii, afford to bring their families or spend their money thus destroying the economy. Our biggest part of the economy is tourism and its related businesses.

If you want to free up rental options for more permanent residents, eliminate the illegal short-term rentals. Don't attack the compliant short-term rentals. The inflation in our country and state has been significant and compounding that with additional loss of income that people depend on from STR's will be a real hardship on every island. In addition, the economy will suffer if homes, condos and all STR's lose the option to operate as legal STR's, the units will be devalued and not sell quickly or at all.

Please eliminate this Bill SB2919 SD2 HD1 immediately and protect the legal STR's now and in the future.

Thank you,

Jane Moy and Family

SB-2919-HD-1

Submitted on: 3/31/2024 4:50:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
mike stango	Individual	Oppose	Written Testimony Only

Comments:

No , No, No.

Wrong on so many levels. Puts Hawaiians out of work . limits condo ownership.

Families will not be able to keep their units without vacation rentals.

Wrong, wrong, wrong

Vote No

SB-2919-HD-1

Submitted on: 3/31/2024 5:02:11 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Kribel	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919. Mid and short term rentals are so important to many people including the economy of Hawaii. They create many jobs, brings revenue to local businesses and helps many families make ends meet. Without them people not be able to afford their property.

I need the extra income, without it I would need to sell. Help small businesses as they are the ones that really need the help.

please vote no on SB 2919.

SB-2919-HD-1

Submitted on: 3/31/2024 6:30:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Connie DeBord	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** H.B. SB2919 for the following reasons:

My name is Connie DeBord and I am an owner of one unit at Papakea in Lahaina.

Background on Papakea

Thank you for the opportunity to testify about this bill.

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.

- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea’s Contributions to the Community

- Papakea’s resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own

clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

Connie DeBord

SB-2919-HD-1

Submitted on: 3/31/2024 6:43:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tammy Steuart	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-2919-HD-1

Submitted on: 3/31/2024 6:52:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Arleen McKenzie	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-2919-HD-1

Submitted on: 3/31/2024 6:55:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chris Au	Individual	Oppose	Written Testimony Only

Comments:

I oppose.

SB-2919-HD-1

Submitted on: 3/31/2024 7:03:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Pfluke	Individual	Oppose	Written Testimony Only

Comments:

This bill is unfair to the small business owners (vacation condo owners) and favors big business (hotels and unions). All politicians that support this bill, including Gov. Green, will be seen as "sold out" to corporate interests. The State of Hawaii lives and breathes on tourist dollars. Signing this bill to law will be a lose-lose.

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My name is John Schroder and we have owned our condo at the Papakea since 1995. Thank you for the opportunity for me to testify about SB2919.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.

- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

John Schroder

March 31, 2024

The Honorable Luke A. Evslin, Chair
and Committee Members
Committee on Housing

The Honorable Sean Quinlan, Chair
and Committee Members
Committee on Tourism

State House of Representatives
State of Hawaii
415 S. Beretania Street, Rm. 312
Honolulu, HI 96813

RE: SB 2919 Relating to Property

Dear Chairs, Evslin and Quinlan, and Committee Members

Thank you for this opportunity to testify OPPOSING SB2919.

My name is Alex Feldman, my family owns a suite at Papakea Resort and we have been going there over the past 30 years.

I am surprised these bills are being proposed if they apply to places like Papakea, which have operated as a resort/hotel for decades. We feel they are not appropriate for several reasons:

1. Papakea is a resort/hotel. It was not intended to be only long term rental housing. It was always intended to be for short term rental, like a hotel. That is why we purchased many years ago.
2. Papakea employs many people to run the resort. Front desk staff, Multiple concierges, activity planners and the many people who maintain the grounds and buildings are paid by the many owners of the units.
3. There are also many facilities on the resort which are funded by the many owners.
4. The conversion of this resort, and many others, to a long term rentals will result in the loss of jobs, higher unemployment and a larger housing crisis as people will not be able to pay their rent.

We understand these bills do not apply to hotels - therefore, they should not apply to resorts like Papakea.

The proposed bill SB2919, does not seem well considered. It is unclear the majority of Maui residents are even in favor of these bills as there will be massive negative implications for jobs on the island.

We understand the need to address the current housing issue on the island. I would like to suggest:

- raise funds for more housing, which might include some tax(es) dedicated to helping with the housing problem.
- implementing some control on short-term renting in residences which ordinarily could have been used for long term rentals, like homes and apartments.

We are very concerned about what might happen if these bills pass. We hope the authorities recognize the shortcomings listed above and reject bill SB2919.

Alex Feldman

SB-2919-HD-1

Submitted on: 3/31/2024 7:26:38 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lauren Trent	Individual	Oppose	Written Testimony Only

Comments:

oppose

March 31, 2024

Testimony in opposition to SB2919

Dear Senate Members,

I am writing to urge you to vote against SB2919. I appreciate the work you have done to address this issue and understand that this type of regulation can be very challenging. My husband and I agree with those who say that allowing unrestricted short-term rentals has a negative impact on the housing market for residents as investors buy up properties that would otherwise be available for long-term rentals or purchases by residents. We support banning or severely restricting that type of activity. However, you also have Hawaii residents who would like to have the opportunity to rent their homes short-term occasionally to provide extra income. Therefore, I would like to propose the following alternative:

ALLOW HAWAII RESIDENTS TO RENT THEIR PRIMARY RESIDENCE UP TO 120 DAYS PER YEAR ON A SHORT-TERM BASIS.

A restriction like that should sufficiently dampen the demand for investment properties that are purchased purely for short-term rentals, but still allow Hawaii residents to earn additional income from their home should they decide to do so. **This will benefit the homeowner through the rental revenues; the State through additional taxes paid on those revenues; and the general State economy through the money that TVU renters spend while visiting Oahu.**

Hawaii has some of the highest costs of living in the U.S. and the additional income is critical to some homeowners. Even for those who could make ends meet without this income, the additional revenue gives them more spending power benefiting the local.

These types of accommodations have become an important part of the tourism industry over the last several years and should be seen as a crucial part of maintaining Hawaii's standing as a leading tourist destination.

In our case, we moved to Honolulu in 2009 due to my job and bought our house with the intention of retiring here. We are both in the renewable energy industry. Since that time, I have moved a couple of times for work while my husband remains at our home in Honolulu. When he travels to visit me, his income is diminished and our house is left empty. We've had someone attempt a break-in during one of his trips and also had a fire alarm trigger which fortunately turned out to be a false alarm, but because no one was there to check it, both the fire department and the police department had to needlessly respond. If we could rent our property during his trips, it would help offset his lost income and also give us some greater piece of mind that all was well at our home.

Additionally, my husband has to be off-island periodically to help relieve his sister who takes care of his elderly mother and an invalid sister. Being able to rent our home during those absences would also be tremendously helpful to us.

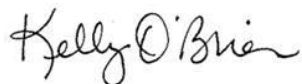
The times we have rented our home in the past (which we have done legally and paid the appropriate taxes), some of our retired neighbors have benefited as well. They have been very supportive and have stepped in to act as hosts if guests arrive when my husband is off-island. They also provide assistance if needed to the guests while they are there and, in turn, my husband takes them to dinner or buys them gifts to thank them for their help. It is a win-win situation not only for us and our neighbors, but also for our guests. And, it has brought us together more than if we were not doing this by providing an additional sense of community. It also benefits businesses our neighborhood as our tenants frequent them when they stay in our house.

My husband will submit his own testimony, but **we both strongly oppose SB2919**. It goes too far and severely limits a homeowner's rights. If you determine that it is appropriate to more severely restrict and/or ban short-term rentals in investment properties, we could support that.

There are many instances like ours, in which the properties would not be on the long-term rental or housing allowing residents to occasionally rent their primary residence does not affect the availability of or pricing for the long-term rental or housing market. I think that it would be a good solution to let individuals rent their primary residence (if they own it) for up to 120 days out of the year. This should be allowed even in residential areas. Perhaps there could be a number to call to lodge a complaint if neighbors are disturbed by renters with a penalty if a certain threshold of complaints are made.

Thank you again for your attention to this issue. I understand that it can be a contentious one and believe that with fair and thoughtful regulation, all parties' concerns can be heard and appropriately addressed in a manner that will allow this segment of the tourism industry to continue and be properly regulated.

Best regards,

A handwritten signature in cursive script that reads "Kelly O'Brien".

Kelly O'Brien

SB-2919-HD-1

Submitted on: 3/31/2024 7:34:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jon brunold	Individual	Oppose	Written Testimony Only

Comments:

This will harm our 100 plus employees directly.

this is not the answer

stop this lobbying for the hotels . Money leaves island. With local rentals money stays on the island.

tax benifits and look who came to the rescue for the fires we did .

thank us and stop this nonsense

SB-2919-HD-1

Submitted on: 3/31/2024 7:37:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julian Ritchey	Individual	Oppose	Written Testimony Only

Comments:

Testimony in opposition to SB2919

Dear Senate Members,

I am writing to urge you to vote against SB2919. I appreciate the work you have done to address this issue and understand that this type of regulation can be very challenging. My wife and I agree with those who say that allowing unrestricted short-term rentals has a negative impact on the housing market for residents as investors buy up properties that would otherwise be available for long-term rentals or purchases by residents. We support banning or severely restricting that type of activity. However, you also have Hawaii residents who would like to have the opportunity to rent their homes short-term occasionally to provide extra income. Therefore, I would like to propose the following alternative:

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A restriction like that should sufficiently dampen the demand for investment properties that are purchased purely for short-term rentals, but still allow Hawaii residents to earn additional income from their home should they decide to do so. **This will benefit the homeowner through the rental revenues; the State through additional taxes paid on those revenues; and the general State economy through the money that TVU renters spend while visiting Oahu.**

Hawaii has some of the highest costs of living in the U.S. and the additional income is critical to some homeowners. Even for those who could make ends meet without this income, the additional revenue gives them more spending power benefiting the local.

These types of accommodations have become an important part of the tourism industry over the last several years and should be seen as a crucial part of maintaining Hawaii's standing as a leading tourist destination.

Additionally, I have to be off-island periodically to help relieve my sister who takes care of my elderly mother and an invalid sister. Being able to rent our home during those absences would also be tremendously helpful to us.

The times we have rented our home in the past (which we have done legally and paid the appropriate taxes), some of our retired neighbors have benefited as well. They have been very supportive and have stepped in to act as hosts if guests arrive when I am off-island. They also provide assistance if needed to the guests while they are there and, in turn, we take them to dinner or buy them gifts to thank them for their help. It is a win-win situation not only for us and our neighbors, but also for our guests. And, it has brought us together more than if we were not doing this by providing an additional sense of community. It also benefits businesses in our neighborhood as our tenants frequent them when they stay in our house.

My wife and I both strongly oppose SB2919. It goes too far and severely limits a homeowner's rights. If you determine that it is appropriate to more severely restrict and/or ban short-term rentals in investment properties, we could support that.

There are many instances like ours, in which the properties would not be on the long-term rental or housing market allowing residents to occasionally rent their primary residence does not affect the availability of or pricing for the long-term rental or housing market. I think that it would be a good solution to let individuals rent their primary residence (if they own it) for up to 120 days out of the year. This should be allowed even in residential areas. Perhaps there could be a number to call to lodge a complaint if neighbors are disturbed by renters with a penalty if a certain threshold of complaints are made.

Thank you again for your attention to this issue. I understand that it can be a contentious one and believe that with fair and thoughtful regulation, all parties' concerns can be heard and appropriately addressed in a manner that will allow this segment of the tourism industry to continue and be properly regulated.

Best regards,

Julian Ritchey

SB-2919-HD-1

Submitted on: 3/31/2024 7:49:08 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JonPaul Sarro	Individual	Oppose	Written Testimony Only

Comments:

Oppose.

SB-2919-HD-1

Submitted on: 3/31/2024 8:01:45 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jose jube	Individual	Oppose	In Person

Comments:

Good morning,

I can simpathise with of those who support bill SB 2919. As a property owner myself I can understand those who wish to phaseout vacation rentals because of neighbors who rightfully so complain about noise, parking, higher rents and overcrowded communities and public roads. But let's "not throw the baby out with the bath water." I would like to remind you to also simpathyse with those properties which are owner occupied and living in the premises which most of us are. We are owners who don't allow parties or noise or parking confusion, owners who are responsible people who do great things for their community such as: they employ a number of tradesman and woman, they pay taxes here, not like all 62 Hilton corporation hotels doing business here but register in tax heaven Delaware. Us responsible owners provide opportunities for familes to get together in a home away from home to celebrate graduations, anniversaries, funerals or simply a desire to be together for breakfast lunch and dinner without having to brake the bank with expensive,gritty and overcrowded hotels in noisy and filled with homeless victims of some of your decisions Waikiki. These folks will go somewhere else and search for a place where they can be with their families and not in 2,3 or 4 different hotel rooms. We are here, we want to stay here, we are honest and hardworking people keeping the Hawaiian tradition alive, we don't want to sell our homes and move away. We keep a tradition based in family and special events like the last two family reunions I have hosted with Hawaiian families living in Minesota but celebrating family togetherness here, folks who invited to their family's dinners and learn about how special this place was, is and can continue to be with your help. One day it could you and your family looking for a place to celebrate a birth or a celebrate someone's life and you will have to go to Bali, The Caribbean for there won't be homes for them to stay here. We need to have vacation rentals to have sustainable tourism. Owner occupied is the answer.

SB-2919-HD-1

Submitted on: 3/31/2024 9:05:20 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cara Birkholz	Individual	Oppose	Written Testimony Only

Comments:

I am concerned that the varying levels of government are not taking into account the devastating financial impact eliminating short-term rentals will have on the economy, particularly on Maui where the economy depends so heavily on tourism. I agree that illegal short-term rentals should be shut down. However, you are attacking LEGAL short-term rentals. For most short-term rentals the moneys earned remain on island, as the 'high rents' barely cover bills between property management fees (remain local), high property taxes (remain local), high maintenance fees (on Maui at least most short-term rental buildings are 35-50 years old and have major assessments coming due for failing cast-iron pipes, spalling etc. STR owners are also dealing with skyrocketing insurance premiums as many complexes are facing non-renewal, and rising sea-waters with associations' inability to harden the shorelines to protect their property. It makes no sense to try to force STR owners to sell their properties to locals who won't be able to afford to financially pay for all these things.

Instead you will see a fire-sale sell-off and crash of prices. Even if locals were to afford the deposit and mortgage, the additional monthly costs will be too much. As a result, the majority of these former short-term rentals will still be owned by wealthy mainlanders as vacation homes, but instead of generating income for property managers, cleaners, maintenance people, restaurants, shop owners, activity providers, property tax revenue for Counties and transient accommodation taxes (10.25% for the state and 3% to the county), they will primarily sit empty OR be used as illegal short-term rentals with no one paying tax as owners will do it under the table.

What will that accomplish?

You do not have short-term rental owners at the table, you are not considering the financial and economic impact of these decisions.

SB-2919-HD-1

Submitted on: 3/31/2024 9:08:04 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Samy Peyret	Individual	Oppose	Written Testimony Only

Comments:

In light of the potentially serious adverse economic impact, I urge the committee to defer decision on SB2919. There are plenty examples of well intentioned legislations that ended up having the exact opposite effect of what was original intended, especially around affordable housing (e.g. California). There is no clear outcome here, and what may look like a gesture of good will today has a 50/50 chance of making our residents worse off in the near future.

SB-2919-HD-1

Submitted on: 3/31/2024 9:17:57 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Heh	Individual	Oppose	Written Testimony Only

Comments:

WHY WE NEED TO DEFER THIS TERRIBLE BILL:

On average, there are 833 month-to-month rental listings per MLS. They are listed for an average of 18 days. This equates to almost 17,000 month-to-month rentals per year across Hawai'i. These rentals are for residents that cannot qualify for a long-term lease, displaced residents, and residents in transition. They are also for traveling nurses, emergency workers, temporary military or students and many others. The Red Hill crisis resulted in 4,000 displaced residents. The year before this incident, the Marco Polo fires displaced 1,800 residents. Oahu alone averages over 2,500 traveling medical personnel per year. Please do not eliminate this vital component of housing. **PLEASE DO THE RIGHT THING AND DEFER THIS BILL FOR THE GOOD OF OUR STATE AND OUR PEOPLE!**

SB-2919-HD-1

Submitted on: 3/31/2024 9:20:41 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rob Mapes	Individual	Oppose	Written Testimony Only

Comments:

My name is Rob Mapes, I am a homeowner at Papakea in Maui. I oppose SB2919.

Many local businesses rely on the work from units like mine. I pay a local property manager, housekeepers, handymen and contractors regularly. These people would be hit hard if the rental units they service were eliminated.

Many of my guests have been returning to Maui for decades. They support local businesses when visiting and have developed a deep connection. I recently had some returning guests spend some of their island time volunteering for local causes since they wanted to help after the devastating fires.

Our property taxes and TAT/GET/MCTAT taxes all go towards helping Hawaii, including local affordable housing.

I strongly oppose SB2919. Short term rental units like mine provide great benefit for Maui and should not be eliminated. Please vote no.

SB-2919-HD-1

Submitted on: 3/31/2024 9:24:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tina Dieu Tcheng-Ovak	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** H.B. SB2919 for the following reasons:

my name is Tina Tcheng-Ovak. Thank you for the opportunity to testify about this bill

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.

- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 3/31/2024 9:27:19 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Ovak	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** H.B. SB2919 for the following reasons:

My name is John Ovak. Thank you the for the opportunity to testify about this bill.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.

- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
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- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 3/31/2024 9:27:26 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christine Muff	Individual	Oppose	Written Testimony Only

Comments:

I am in opposition of SB2919.

SB-2919-HD-1

Submitted on: 3/31/2024 9:39:21 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ron Linch	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919 SD2 HD1

SB-2919-HD-1

Submitted on: 3/31/2024 10:18:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keoni Shizuma	Individual	Support	Remotely Via Zoom

Comments:

Aloha Chairs, Vice Chairs, and members of the committee,

I stand in support of SB2919.

While there may be revenue-related concerns over the passage of this bill, this bill merely clarifies the county’s authority to amortize or phase out STRs, and does not guarantee that many STRs will be phased out, or done so in an expedited manner. It will be dependent on each county’s ordinances, as well as each county’s plans and goals, as to the amount and how quickly STRs may be phased out or amortized, thus discussions between the State and County shall be had in order to comfortably phase out STRs without causing major financial concerns for the State.

Out of the two STR bills, SB2919 is preferred, as it clarifies authority for the county to phase out STRs in all land zoning classifications, while HB1838 only clarifies residential areas.

SB2919 will give the counties a significant tool to fully develop their county in the way they deem fit, and will be part of “a long-range, comprehensive general plan prepared or being prepared to guide the overall future development of the county,” as noted in the bill. The county’s should have this authority, as every county is different and has their own challenges and goals, and they need the appropriate tools to achieve these goals, which this bill is providing for them.

Over the last decade, so many Native Hawaiians have left Hawaii because they can’t afford to live in the state that there are now more Native Hawaiians outside of Hawaii than living in Hawaii. That is a very sad reality. Along with providing the county with a tool needed to accomplish their long-range plans, but this bill also allows for housing to be utilized in the way they were developed, as housing for the residents of Hawaii, and not merely a profit-generating tool. This could help more Native Hawaiians to continue to live in Hawaii, and possibly allow others to return to Hawaii after leaving because they could not afford to live here.

Mahalo nui for your time and consideration,

Keoni Shizuma

SB-2919-HD-1

Submitted on: 3/31/2024 10:25:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bruce Menard	Individual	Oppose	Written Testimony Only

Comments:

Short term rentals benefit the Hawaii economy as a whole, which benefits everyone in Hawaii. From jobs to additional money for governmental programs to benefit individual residents, it is a positive impact. Proper use of these funds can also lead to more and improved housing for all of Hawaii. Please vote no on sb2919. Thank you.

SB-2919-HD-1

Submitted on: 3/31/2024 10:27:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joyce Whitegon	Individual	Oppose	Written Testimony Only

Comments:

My wife Joyce and I purchased our condominium at 147 East Kuilima in the 1980's. We specifically bought a unit with a NUC permit to be a legal TVU property.

We do not plan to retire to Hawaii but will rely on the income from the property to help to fund our retirement.

We feel that the vacation rental allows people who are not affluent enough to visit the North Shore and stay at the Hotel can still come and spend their money at the various businesses on the North Shore, shops, restaurants, etc. instead of just at the Hotel, thereby helping the whole community.

We employ all local people for the rental of the unit, Rental Agent, Cleaning persons, Vendors, Plumbers, Contractors, etc.

Our unit has been used by visiting Military personnel, residents in transition from one property to another, local family relatives and friends, and many people from around the World.

We have not been affected by the Red Hill crisis or the Marco Polo Fire but the unit would be available to help in case of disaster.

We are vehemently opposed to this Bill or any other Bills that continuously attack our rights as property owners, and seek to remove an important sector of the housing community for both locals and tourists.

Sincerely

Joyce And Dave Whitegon

SB-2919-HD-1

Submitted on: 3/31/2024 10:30:27 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mladen Karcic	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. I own a vacation rental property in Kihei. This property provides my retirement income. If this bill passes I will lose a significant portion of my retirement income and will be forced to move to the mainland because living in Hawaii is very expensive.

SB-2919-HD-1

Submitted on: 3/31/2024 11:01:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Les Moy	Individual	Oppose	Written Testimony Only

Comments:

Dear Concel Member,

I oppose this bill due to many hardship that most of investors and people that are stretched think finanacally with funds. I would like to see this bills sent back for reread and see where we can come to a better understanding of ones needs.

Thanks you,

Les Moy

SB-2919-HD-1

Submitted on: 3/31/2024 11:24:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rebecca Hanna	Individual	Oppose	Written Testimony Only

Comments:

Strongly oppose this Bill..

This would further devastate our local economy .. from loosing jobs to loosing County/State revenue.

If the proposer (s) thinks this will currect the housing shortage, it won't and, we won't need more housing because more local residents will move off island because no jobs!

Like it or not, the realty is we live in a beautiful place (like many other places in the world) where we are a tourist destination and that's not going to change. We should be thankful for the jobs this industry creates.

SB-2919-HD-1

Submitted on: 3/31/2024 11:39:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

Support

Not clear why this is necessary; Honolulu was able to prohibit rentals of less than 30 days in any non-resort zone.

SB-2919-HD-1

Submitted on: 3/31/2024 11:47:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maria Morgan	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919. So many people rely on STR's for temporary housing for work for displaced residents and visitors. They are good for the economy by providing much needed income for homeowners, revenue for local businesses and creates jobs.

give the small business person a better chance of making ends meet.

please vote no on SB2919.

SB-2919-HD-1

Submitted on: 3/31/2024 11:53:30 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tonic Bille	Individual	Oppose	Written Testimony Only

Comments:

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

And Committee members

I strongly oppose SB2919 SD2 HD1 (HSCR 1237-24)

SB2919 would give the counties more zoning powers, but would not end litigation over short-term rentals.

The regulation and a phase-out of short-term rentals is not supported by a survey of the visitor industry and the participants in the STR industry and the economy.

A 2020 study commissioned by the Hawaii Tourism Authority found that STRs added \$6 billion to the state's economy and sustained 46,000 jobs. The survey also found that "30% respondents reported that if there was not a home and vacation rental option during their recent stay in Hawaii, they would not have made the trip."

I have a story about that exact same situation. My neighbor's legal STR rented to a great family, all born in Kailua, but now live in Alaska, since living in Hawaii was too expensive. They spend their vacations twice every year in Kailua and sometimes a couple of days on Maui. Lately they were here with their now adult children and young grandchildren...all the neighbors know them well and they are a big part of the neighborhood.

Sadly this year is going to be their last time in Hawaii, since the house they used to rent is rented long term (another STR house next door was sold to a Canadian and the house is sitting empty)

and they were not able to find anything in Kailua this year. They are staying at the Ilikai. They will never stay in a hotel again, it is too expensive and there is no adequate space for the whole family...

They made a reservation for their fall vacation in an affordable, large house in the Bahamas on the beach.

They will never return to Hawaii unless the laws changed...

Thank you for reading my testimony,

Tonic Bille

SB-2919-HD-1

Submitted on: 3/31/2024 11:54:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Herb Rose	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE THE BILL

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Maureen Donohue and my husband and I own a property at the Papakea Resort. I'd like to thank the committee for the opportunity to testify about this bill.

The Papakea Resort has operated for almost 50 years and consists of 364 individual condos. It is located next to a long stretch of hotel-zoned properties. Papakea employs about 35 local residents, some of whom I have watched grow from entry-level positions to supervisory roles. This property was marketed and sold as vacation rental property and has never been workforce housing. Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and commercial properties.

In its regular operations, the Papakea Resort supports many local trade professionals including plumbing, electrical, propane, HVAC, tree trimming, and pest control. These operations require extensive regular maintenance. This costly maintenance combined with the financial support of the staff makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. The Papakea relies on short-term rental revenue to support these costs and would not be able to cover all its costs under a long-term rental rate structure. And it's very likely a large number of staff would lose their jobs.

The short-term rentals at Papakea support a large number of small businesses in the Maui community such as housecleaning, handymen for repairs, drapery & window cleaning, plumbers, electricians, contractors, and on-island property managers just to maintain the properties from month to month. Shutting down short-term rentals could put these folks out of business.

Short-term rental guests on the island support many local businesses such as restaurants, recreational activities, retail shops, etc. It was evident what the pandemic and loss of guests visiting the island did to local businesses who are still struggling to survive.

In addition, as owners, we regularly spend at furniture stores, with contractors for renovations, and at hardware stores. And of course we and our guests support a multitude of restaurants, retail shops, and on-island activities. This kind of spending is critical for the Maui economy.

I understand the counties already have the authority to regulate short-term rentals that are disrupting residential neighborhoods. This bill does nothing to solve the problem of illegal STR's. And, it seems this bill would give Maui county the authority to retroactively ban the primary purpose that Papakea was designed and built for in 1978.

Lastly, short-term rentals support the State of Hawaii and County of Maui through payment of property taxes (at our short-term rental rate), Transient Accommodations Tax, General Excise Tax and Maui Transient Accommodations Tax. I would imagine losing this tax base would severely impact future needs in Maui and the state.

For these reasons stated, I OPPOSE SB 2919 and respectfully urge the committee to vote NO on this matter.

Thank you for your consideration.

Maureen Donohue, Papakea Resort Owner

SB-2919-HD-1

Submitted on: 3/31/2024 12:05:01 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Sarna	Individual	Oppose	Written Testimony Only

Comments:

We purchased a condo at the Papakea Resort in August 2022. We are currently renting our condo to a fire survivor through FEMA. We feel a connection to the community, and wanted to do our part in helping a woman who is in transition due to the loss of her home from the Lahaina fire. We thought we would be able to visit our unit, and continue to do short term rentals when our contract is finished with FEMA, but now are informed that this part of our livelihood is at risk due to HB1838 and SB2919.

Papakea is a resort, which rents out to tourists since it was built in the late 1970's. It was never intended to be an apartment complex. This resort generates revenue for the state of Hawaii, employees local people, and supports the livelihood of cleaners and other contractors. The tourists who use our condo spend money in the local economy by going out to restaurants, renting cars, purchasing local tours etc...

Besides hurting our finances, there is this greater loss of revenue to the local economy.

- **Economic Contribution:** Maui's Short Term Rentals provide 40% of the real property tax revenue for the county, as well as being the top funding source for affordable housing for Maui. This STR property tax revenue represents 18% of the county's \$1.7 billion dollar budget. The question arises: If Short Term Rentals are curtailed, where will the equivalent revenue come from?
- **Employment Impact:** Statewide, over 40,000 jobs are supported by the short-term rental industry. Restricting this sector could have far-reaching consequences on employment.
- **Community Support:** Short-term rentals accommodate various community members, including displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- **Housing Options in Crisis:** In times of crisis, like the Lahaina Fire, short-term rentals serve as essential temporary, furnished housing for displaced residents. Where will residents find such housing in times of emergencies. Where will residents find temporary, furnished housing if short term rentals are severely curtailed?

We think that the State should invest in more housing for the local population, but not at the expense of eliminating short term rentals. The long-term impacts of eliminating short term

rentals will severely hurt the local economy, in addition to hurting the people who invested in these properties in good faith. I ask you to vote no on SB2919, and find a better way to create more affordable housing for the local people.

SB-2919-HD-1

Submitted on: 3/31/2024 12:07:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JOSEPH GOLDBERG	Individual	Oppose	Written Testimony Only

Comments:

We purchased a condo at the Papakea Resort in August 2022. We are currently renting our condo to a fire survivor through FEMA. We feel a connection to the community, and wanted to do our part in helping a woman who is in transition due to the loss of her home from the Lahaina fire. We thought we would be able to visit our unit, and continue to do short term rentals when our contract is finished with FEMA, but now are informed that this part of our livelihood is at risk due to HB1838 and SB2919.

Papakea is a resort, which rents out to tourists since it was built in the late 1970's. It was never intended to be an apartment complex. This resort generates revenue for the state of Hawaii, employees local people, and supports the livelihood of cleaners and other contractors. The tourists who use our condo spend money in the local economy by going out to restaurants, renting cars, purchasing local tours etc...

Besides hurting our finances, there is this greater loss of revenue to the local economy.

- **Economic Contribution:** Maui's Short Term Rentals provide 40% of the real property tax revenue for the county, as well as being the top funding source for affordable housing for Maui. This STR property tax revenue represents 18% of the county's \$1.7 billion dollar budget. The question arises: If Short Term Rentals are curtailed, where will the equivalent revenue come from?
- **Employment Impact:** Statewide, over 40,000 jobs are supported by the short-term rental industry. Restricting this sector could have far-reaching consequences on employment.
- **Community Support:** Short-term rentals accommodate various community members, including displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- **Housing Options in Crisis:** In times of crisis, like the Lahaina Fire, short-term rentals serve as essential temporary, furnished housing for displaced residents. Where will residents find such housing in times of emergencies. Where will residents find temporary, furnished housing if short term rentals are severely curtailed?

We think that the State should invest in more housing for the local population, but not at the expense of eliminating short term rentals. The long-term impacts of eliminating short term

rentals will severely hurt the local economy, in addition to hurting the people who invested in these properties in good faith. I ask you to vote no on SB2919, and find a better way to create more affordable housing for the local people.

SB-2919-HD-1

Submitted on: 3/31/2024 12:35:15 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Walker	Individual	Oppose	Written Testimony Only

Comments:

When we purchased our home in Kona ten years ago, our goal was to ultimately retire there. About seven years ago, with the rising costs of just about everything we decided to short term rent the property which would allow us to cover costs and still allow us to travel to the island. This has worked for us and we would like to continue to do this so we are opposing this bill.

We own one home in Hawaii and our rental income helps us to cover our costs and nothing more. We have not made a profit in renting our home, but we are content with this arrangement as we still get to travel to the island for about one month in a year and not go broke doing it. We help support the local economy as our rental income pays for pool service, cleaning services, yard services and rental management employees, all of whom are local and based on the island. We add approximately ten thousand dollars per year to the local economy through those services.

We have always paid our taxes (GET, TAT and now HCTAT) on time and when it was decided that we needed to fill out the STVR application and NCU certificate, we do so every year and on time. Those taxes and fees are nine to ten thousand dollars per year and also go to help support the local government.

We appreciate your time and consideration of our testimony and we ask that you vote to reject SB2919 as this bill will have a negative impact on the local economy, a negative impact on local tax revenues and will have very limited benefit to the local housing situation.

March 31, 2024

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Randy Hnatko and I thank the committee for the opportunity to testify about this bill.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.

- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.

Papakea owners have been operating legal vacation rentals for almost fifty years.

- Papakea has never been workforce housing, so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.

- The majority of units at Papakea are under 600 square feet and the property has limited parking.

- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.

- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.

- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."

- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.

- This bill does nothing to solve the problem of illegal short-term rentals.

- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein **I OPPOSE SB2919** and urge the committee vote no on this matter

March 31, 2024

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Dimitra Hnatko and I thank the committee for the opportunity to testify about this bill.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.

- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.

Papakea owners have been operating legal vacation rentals for almost fifty years.

- Papakea has never been workforce housing, so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.

- The majority of units at Papakea are under 600 square feet and the property has limited parking.

- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.

- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.

- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."

- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.

- This bill does nothing to solve the problem of illegal short-term rentals.

- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein **I OPPOSE SB2919** and urge the committee vote no on this matter

SB-2919-HD-1

Submitted on: 3/31/2024 12:58:38 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charles R. Cerini	Individual	Oppose	Written Testimony Only

Comments:

March 31, 2024

Subject: Opposition to SB2919

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

We strongly OPPOSE H.B. SB2919 for the following reasons:

By way of introduction, our names are Charles and Sharon Cerini, owners of the condominium at Papakea Resort D104 and we strongly oppose SB2919. We also thank you for the opportunity to share our concerns.

We have been visiting Maui for the past 25 years and because we fell in love with the island and its people, the culture and the beauty that Maui offers, we decided to purchase property at Papakea so that we could spend more time on-island and share our home with others so that they could experience Maui as we have.

Being a part-time resident, we have met many of the local Papakea employees from the maintenance team to the supervisory and management staff who have been employed for many years. From our understanding, there are 35 local employees working at Papakea. We would hate to see how this change would impact them.

Being owner-occupied and renting our apartment on a short-term basis, we have enlisted many local business and trade professionals, to keep our apartment at a 5-star rating. Such trades that we have employed directly are: carpet cleaners, pest control, plumbers, painters, carpenters, electricians, contractors, handymen, and housekeeping. Shutting down short-term rentals at Papakea means putting these people out of business with fewer employment opportunities and greatly disrupting their livelihood.

Also involved in ownership is our property management company who handles the reservations and oversees the apartment when we are not on-island. Our property management company is a mid-size company that also employs many local people including administrative and trades people. Needless to say, the passing of this bill would also affect their lives.

We, along with our guests, support many small businesses including markets such as Foodland, Island Grocery Depot, and Time Market, restaurants/cafes and especially our local food trucks which are down the street from Papakea. This is all in addition to the large number of excursions, luaus, and activities.

We'd also like to mention that as soon as we were able to return to Maui in mid-September, we purchased an abundance of clothing and school supplies for the KiKei Relief Project. We also made personal visits to both West Maui fire stations to provide food and to thank them personally for their service.

Papakea is not only a resort, it's home for us and for our many returning guests year after year.

1. rentals, especially those with families, prefer to stay at Papakea rather than a large chaotic resort, given the fact that we offer a kitchen, washer and dryer, and many items that make this a home rather than a resort hotel.

Lastly, Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Without this, your income generated from STRs would be eliminated.

For the reasons stated above, we strongly OPPOSE SB2919 and urge all members of the committee to vote 'No' on this matter.

Respectfully submitted for all of those who will be affected by these changes.

Charles R. Cerini

Sharon L. Cerini

We are opposed to SB 2919.

As a registered LLC in the State of Hawai'i, we rent to short term guests of Hawai'i on Maui. Our unit is a registered condo-hotel at Papakea on Maui; the majority of our guests stay between 1 and 3 weeks. Papakea has been a haven for residents in transition (including fire victims- with homes burned and with homes needing restoration), for Maui visitors from all over the world, and for our families and friends.

Short term rentals like ours provide needed revenue for the State of Hawai'i and the County of Maui. Our unit provides property tax revenue as well as GET and Transient tax income to Maui and Hawai'i. Our unit is providing income to our property manager and the 100 or so employees of Maui Paradise Properties- all local people (unlike the property managers hired by FEMA.) This includes contactors, cleaners, laundry workers, HVAC and plumbing workers, painters, etc. who all earn their livelihood from short term rental units like ours. (Many of our property managers' employees lost homes in the Lahaina fire and their business building and storage areas burned as well. We, and others, have been helping those affected.)

Visitors and guests who stay in our short term rental **shop locally**- for food in restaurants and in grocery stores. All of the employees in these businesses **Need** the money that is incoming from visitors; without these people coming and going (short term rentals) there would be no other income to sustain the local workers and their families. In addition, local shops and stores benefit from money spent on clothing, experiences, boating tours, fishing trips, whale watching, snorkeling, etc. by the guests who stay in our condo.

Short term rentals like ours have been used in various times of crisis to accommodate unhoused persons temporarily. We find this service to be invaluable. Why would you want to take away the opportunity for people to be housed near their old home in a fully furnished short term rental? Why would you desire to remove potentially 40% of the property tax income currently derived from short term rentals?

We hope that Hawai'i has plans to encourage, rather than deny, visitors and Hawaiian citizens the opportunity to stay, Not in hotels, but in economical condos and houses for 1-3 weeks at a time. Let these visitors spend money to benefit the local economy!

Again, we are opposed to SB 2919.

Mahalo,

Betsy, Dana and Roy Christensen/Kaleialoha LLC

2/28/24

SB-2919-HD-1

Submitted on: 3/31/2024 1:31:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Connor kribel	Individual	Oppose	Written Testimony Only

Comments:

I depend on my rentals to help pay bills. Taking away short term rentals will deter many people from visiting Hawaii and have negative impacts on the economy

SB-2919-HD-1

Submitted on: 3/31/2024 1:31:15 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia Bellardo	Individual	Oppose	Written Testimony Only

Comments:

Dear Officials of this Legislature,

Patricia Bellardo is my name and I am honored that this body would consider my opinion in the discussion of SB2919.

My first visit to Hawaii was in 1964 at the age of 20. 60 years later at 80 years of age here I am, still coming to Hawaii every chance that I get. Maui holds a special place in my heart.

Our family has owned an ocean front condo at Papakea since 1981 when we bought it as a legal vacation rental property. WE are located right next door to a huge H2 complex. We have invested in the Maui community over the years with buying appliances, hiring tradesmen to repair and replace aged fixtures and using plumbers and pest control businesses. There have been at least three cleaning companies who have been employed by us over these many years. What will happen to those cleaning company employees if they have no customer?

After the Lahaina disaster we continued to pay our cleaning company despite the fact that there were no guests in our condo. He told us that his finances would see him through and could he pass the money along to help one of his employees who had lost everything. That employee stayed in our condo until she could get settled else where. After that a couple of more people who had been displaced were also accommodated. This time it was through the AIRBNB disaster relief program.

We recommend to all of our guests that they shop at the Farmers Market, Okazuya Deli and Take Out, Times Super Market and all of the small locally owned businesses close by Slappy Cakes gets a lot of business from our guests.

So we and all of the 350 other owners go a long way in the support of the near by businesses. This bill could put so many people out of work.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote NO on this matter.

Respectfully submitted, Patricia Bellardo

SB-2919-HD-1

Submitted on: 3/31/2024 1:46:11 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nancy Nagamine	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to this bill for many reasons. It does not consider life circumstances that necessitate people to rent a dwelling for a month at a time. Have you considered this circumstance? A young couple in Kailua is having a second baby and her mother plans to come for a month to assist. There is no room in their small condo. Should this bill pass and there are no 30 day rentals in Kailua, the mother would need to drive 45-60 minutes each way to and from Waikiki a few times a day, sometimes late at night. I honestly know of several people who have been in this situation.

Another circumstance is elderly parents who are living here in Kailua in a small condo and their adult children are living on the mainland. The family can come for a month, but will they have to stay in a hotel in Waikiki and drive back and forth? What a way to ruin a family's time together and so unfair to a family. Not mention the prohibitive expense of all of this.

My feeling is this bill would benefit the wealthy who are able to put their whole family up in a hotel in Waikiki if they want to spend time together. For average people they just won't be able to afford to do this and it will cause pain and suffering for average people. I am also concerned about about traveling nurses, temporary workers, displaced victims of fire or other tragedies, emergency workers, military in transition, and former residents who want to come home for a period of time but cannot come for 6 months! Other than benefitting hotel companies that are primarily mainland investor owned, I cannot understand why anyone thinks this bill would be helpful. This bill would put a stain on our community that we are not family or worker friendly, we only want wealthy people here who can afford to stay in an expensive hotel. Please enforce existing zoning laws, please do not pass this bill as it will create a whole new housing crisis. Mahalo.

SB-2919-HD-1

Submitted on: 3/31/2024 1:55:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kimberly Clauss	Individual	Oppose	Remotely Via Zoom

Comments:

While I understand there is a housing crisis in Maui, this is not the way to deal with it. The island depends on tourism for the bulk of their income and jobs. This bill will kill the economy and hinder tourism.

SB-2919-HD-1

Submitted on: 3/31/2024 2:04:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Allyson	Individual	Oppose	Written Testimony Only

Comments:

My family and I depend on short term rentals for income to pay bills. This would be financially devastating to my family and I.

SB-2919-HD-1

Submitted on: 3/31/2024 2:16:44 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JOSEPH KARCIC	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-2919-HD-1

Submitted on: 3/31/2024 2:19:33 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ALEXIS KARCIC	Individual	Oppose	Written Testimony Only

Comments:

Oppose

Dear Members of the Committee:

I oppose Bill SB2919 for the following reasons:

1) We own a condo at Papakea in Maui and it supports many local individuals. Most of these individuals would lose their jobs if this wasn't a short-term rental property.

- Papakea employs approximately 35 local resident employees.
- As owners we also support a local management company, housekeepers and contractors.
- Papakea guests support many local small businesses and their employees on Maui including restaurants, tour operators and shops.
- Guests also support employees at the airport, car rental companies, national parks, and state parks.

2) Papakea was never an owner occupied complex. It has been a vacation rental property for almost 50 years. It isn't a desirable property for permanent residents, our unit and many of the other units are very small and only one bedroom. This resort is designed for short term rental, it includes a front desk, activity concierge, common resort activities, and expensive HOA at Papakea.

3) Papakea supports the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Tax revenue for the state and county would decline if Papakea wasn't a short-term rental property.

4) We are presently under contract with FEMA and they are currently housing a local man in our unit who is displaced by the horrible Lahaina Fire. This local individual would likely be unable to find temporary, furnished housing if the short-term rental market was eliminated.

5) This bill does nothing to regulate illegal short-term rentals that are disrupting residential neighborhoods.

SB-2919-HD-1

Submitted on: 3/31/2024 3:01:48 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Helena Von Sydow	Individual	Oppose	Written Testimony Only

Comments:

Dear Members of the committee

Subject: Opposition to SB2919

As a local resident of Hawaii, I am writing to express my concerns regarding SB2919 and its potential impacts on the availability of short-term rentals on Oahu could indeed pose significant challenges for both residents and visitors, especially during emergencies or transitional periods.

- Impact on Displaced Residents: short-term rentals provide essential housing options for displaced residents during emergencies like the Red Hill Crisis and Marco Polo fires. Very important maintaining these options for community resilience and recovery.
- Short-term and mid-term rentals accommodate various groups, including displaced residents, visiting family members, medical travelers, and temporary workers. There are diverse needs that these accommodations fulfill and the potential consequences of limiting their availability.
- Affordability aspect: alternatives like hotels may be prohibitively expensive for many residents and visitors. Keep in mind the importance of maintaining affordable accommodation options to ensure accessibility for all.
- Community Impact: Broader impact on the local community, including businesses that rely on tourism and the overall economic contribution of the short-term rental industry. Need for balanced regulation that supports both community well-being and economic vitality.
- Personal Experience: I have seen firsthand how short-term vacation rentals have provided essential financial support to families, allowing them to meet mortgage payments and sustain their lives in Hawaii's unique economic landscape. The operation of these rentals has served as a lifeline for many, including myself, in affording the high cost of living in our beautiful state
- ***Our future; It's crucial to carefully examine the implications of bills like SB2919, particularly when they involve zoning regulations. Zoning plays a pivotal role in urban planning, environmental conservation, and various other aspects of community development. Allowing counties the broad power to change any zoning without appropriate checks and balances could indeed have far-reaching consequences.***

Sincerely,

Helena von Sydow



SB-2919-HD-1

Submitted on: 3/31/2024 3:03:04 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Harald von Sydow	Individual	Oppose	Written Testimony Only

Comments:

Dear Members of the Committee

Subject: Strong Opposition to SB2919

I am writing to express my concerns regarding SB2919 and its potential impacts on the availability of short-term rentals on Oahu. This bill could pose significant challenges for both residents and visitors, especially during emergencies or transitional periods.

One of the most critical impacts of SB2919 would be on displaced residents. Short-term rentals provide essential housing options during emergencies like the Red Hill Crisis and Marco Polo fires, contributing to community resilience and recovery.

Furthermore, short-term and mid-term rentals accommodate various groups, including displaced residents, visiting family members, medical travelers, and temporary workers. Limiting their availability could have severe consequences for these diverse needs.

Affordability is another crucial aspect to consider. Alternatives like hotels may be prohibitively expensive for many residents and visitors. It's essential to maintain affordable accommodation options to ensure accessibility for all members of the community.

The broader community impact cannot be overlooked. Businesses that rely on tourism and the overall economic contribution of the short-term rental industry would be affected. There is a need for balanced regulation that supports both community well-being and economic vitality.

On a personal note, I have witnessed firsthand how short-term vacation rentals have provided essential financial support to families, including my own. These rentals have served as a lifeline, helping families meet mortgage payments and sustain their lives in Hawaii's unique economic landscape.

Looking towards the future, it is crucial to carefully examine the implications of bills like SB2919, particularly concerning zoning regulations. Zoning plays a pivotal role in urban planning and various aspects of community development. Allowing counties broad power to change zoning without appropriate checks and balances could have far-reaching consequences.

I urge you to consider these concerns and oppose SB2919 in its current form. Thank you for your attention to this matter.

Mahalo for your time and consideration.

Sincerely,

Harald von Sydow

A solid black horizontal bar used to redact the signature of Harald von Sydow.

SB-2919-HD-1

Submitted on: 3/31/2024 3:05:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Luciana Fernandez	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Luciana and I live on the island of Oahu.

I am writing in opposition of this bill because it will threaten my ability to make a living along with the other cleaners, electricians, maintenance workers, and small businesses like me, who live and work in my community.

I own/work for a small business that services short-term vacation rentals on my island. I am paid good wages, create my own schedule and work very near where I live, reducing my commute time.

This bill will hurt me and put at risk my ability to pay for my own housing and bills.

Let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

Luciana Fernandez

SB-2919-HD-1

Submitted on: 3/31/2024 3:08:04 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Klaus B. Van Der Leeden	Individual	Support	Written Testimony Only

Comments:

As a resident homeowner in the KEW AOA community, located by the Turtle Bay Resort, (Kahuku 96731) and unfortunately innundated with STR investor owners and speculators who are reluctant to give back for their privelege by paying appropriate business related taxes, it can be no surprise that I welcome the purpose and intent of SB2919.

It will not hurt them to adjust their business model appropriately to accomodate the fairly assessed taxes. The will still thrive.

I am in full SUPPORT.

Mahalo for your resident supportive view on this issue.

Good afternoon and thank you for accepting my testimony regarding HB 1838.

I am a homeowner at Papakea, and I strongly oppose this legislation. I have grave concerns regarding this bill for the following reasons.

*Papakea was marketed and sold as a vacation rental property since its completion in 1978 and has been operating legal vacation rentals for nearly 50 years.

*The majority of units at the Papakea are under 600 square feet and parking is very limited.

*Papakea is adjacent to hotel zoned properties and has many loyal return residents and guests who provide a boost to the economy, supporting many local businesses. They have a deep connection with the community, and many were the source of financial help and resources following the fires.

*Many small businesses rely upon short-term rentals including housekeepers, handymen, contractors, on island agents, food trucks and establishments, shops, national parks... that will lose income or be forced out of business. Hundreds of locals will lose jobs that are important to supporting their families. With job loss is the loss of purpose and human dignity of those affected.

*Papakea short-term rentals support the state of Hawaii and County of Maui through payment of property taxes (at short-term rental rates), Transient accommodations tax, General excise tax and Maui transient accommodations tax.

*Papakea's resort operations require extensive maintenance, which causes monthly maintenance dues to far exceed long-term housing fees. Unsubsidized long-term rental rates will not cover the maintenance dues, special assessments, mortgage payments, property taxes and insurance.

*Papakea is currently undergoing a massive internal plumbing re-pipe project spanning over 2 years. The cost of this project is estimated to be over 33 million dollars! Special assessments have increased even more for homeowners to pay for this project. Insurance rates have also increased substantially due to failure of the pipes in many units, necessitating this project.

The county of Maui has established authority to regulate ILLEGAL short-term rentals and this bill does not solve any issue regarding illegal short-term rentals.

It is for these reasons and more that I strongly oppose HB1838.

Thank you.

Mary DiCaro

SB-2919-HD-1

Submitted on: 3/31/2024 3:54:29 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin Lutkemuller	Individual	Oppose	Written Testimony Only

Comments:

I rent condos instead of staying in a hotel because condos are more affordable and offer kitchens to prepare meals for my family.

I pay 18% GET/TAT Taxes when I book

SB-2919-HD-1

Submitted on: 3/31/2024 3:56:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Valerie Ogawa	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am born and raised in Honolulu, Hawaii. I am an owner of a one-bedroom condo @ Papakea Resort. I have been an owner since 2017. As an owner of a short term rental unit I see all the job opportunities it has provided from property management firms to the workers at Papakea. More jobs are required whiling running a short term rental resort as opposed to a long term condominium. The additional income has helped me as well. I hope you consider keeping Papakea a short term rental because it's a legal entity.

Mahalo,

Val Ogawa

SB-2919-HD-1

Submitted on: 3/31/2024 4:01:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
peter larsen	Individual	Oppose	Written Testimony Only

Comments:

Honorable Representative Yamashita, Chair, Honorable Representative Kitagawa, Vice Chair, and members of the Committee

My Name is Peter Larsen and I oppose SB 2919. I am an owner in the Papakea Condominiums, a 364 unit ocean front condominium that was built almost 50 years ago and sold as legal short-term vacation rental condominiums. They have been operated as such complete with hotel desk and vacation amenities. It is not located in a residential neighborhood and is next door to a long strip of hotel-zoned properties and multiple commercial properties.

The complex provides long term stable employment for 35 local residents, some who have been with the property over 15 years.

Papakea also supports many local businesses , including tradespeople, cleaning staff, restaurants and activity companies.

Papakea's STR's further support the local economy through property taxes, Transient Accomodations Tax, General Excise Tax and Maui Transient Tax.

The majority of our units are under 600 square feet and have never been used for work-force housing. Because of the extensive grounds and waterfront location, Papakea is very expensive to maintain, insure and operate and would not make suitable long-term housing.

Governor Green also noted that "we don't need new legislation to take initial action." We can start by enforcing laws that we already have on the books to regulate illegal short-term rentals that are disrupting residential neighborhoods.

For these reasons, I oppose SB 2919.

Thank you. Sincerely,

Peter Larsen

SB-2919-HD-1

Submitted on: 3/31/2024 4:15:44 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeff lauruhn	Individual	Oppose	Written Testimony Only

Comments:

Returning visitor to a condo located in a resort that functions legally.

I rent condos instead of staying in a hotel because condos are more affordable and offer kitchens to prepare meals for my family.

I spend money on local:

Restaurants

Activities

Shopping

Excursions

State Park

Museums

Mahalo,

SB-2919-HD-1

Submitted on: 3/31/2024 4:32:29 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JULIE LARSEN	Individual	Oppose	Written Testimony Only

Comments:

Dear Honorable members of the committee,

My name is Julie Larsen and I oppose SB2919 for the following reasons:

Papakea was completed in 1978 and has always operated as a legal Condo-tel. Papakea has both full time residents as well as vacation rental units. Papakea is located within a group of properties that are adjacent to hotel zoned properties and commercial properties. Papakea has a front desk and employs locals in hotel positions, gardening and maintenance positions, as well as housekeeping roles. Papakea is a viable employment hub for West Maui with a good history of employees staying for many many years. Papakea is also a solid source of tax revenue for the county of Maui and the State of Hawaii. I do not believe that this bill will address the illegal short term rentals nor does Papakea disrupt a residential neighborhood. I would encourage you to oppose this bill, this bill does not solve our West Maui housing shortage. Thank you for your time and attention, Julie Larsen

SB-2919-HD-1

Submitted on: 3/31/2024 4:33:27 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gordon Hanson	Individual	Oppose	Written Testimony Only

Comments:

1. I OPPOSE this Bill. This will shut down North Shore surfing competitions, as there are no hotels there (other than Turtle Bay which they cannot afford).

2. It will not create as many long-term rental units as you think. Like many others, we live in a small 1 bedroom cottage with a small Ohana, which because we need it for our family and friends, we cannot rent long term. We legally rent it when available to pay our high property taxes.

3. We have elderly neighbors who rent their Ohana to pay their property taxes – so they don't have to sell and be replaced by a McMansion.

4. We have rented to residents in transition and inter-island residents for family visits. This bill would shut down Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.

SB-2919-HD-1

Submitted on: 3/31/2024 4:36:00 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vlasta Hanson	Individual	Oppose	Written Testimony Only

Comments:

- Oahu is down to 2,000 legal short-term rentals excluding hotel units. We cannot afford to lose more.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?
- Where will you stay when you come to Oahu to work, visit family or seek healthcare? A \$700/night hotel?

SB-2919-HD-1

Submitted on: 3/31/2024 4:36:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dori Alpert	Individual	Oppose	Written Testimony Only

Comments:

I am a visitor returning yearly to a condo located in a resort that functions legally.

I rent condos instead of staying in a hotel because condos offer kitchens and enough space for my family of four. To get the same space at a hotel, I would need to book multiple rooms, or very large units, at a much costlier price.

I pay 18% GET/TAT Taxes when I book and spend money at local restaurants and activities.

SB-2919-HD-1

Submitted on: 3/31/2024 4:37:02 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynn M Prakash	Individual	Oppose	Written Testimony Only

Comments:

I believe this bill will deeply hurt property owners who rely on the income from their short term rentals as their livelihood, as well as vacationers who come to the islands to enjoy the quieter condominium living while they are there.

SB-2919-HD-1

Submitted on: 3/31/2024 4:42:31 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Thompson	Individual	Oppose	Written Testimony Only

Comments:

Regular visitor to condos located in a resort that functions legally. I prefer to rent condos instead of staying in a hotel because condos are more affordable and offer kitchens.

I pay 18% GET/TAT Taxes when I book, happily. And I gladly spend money locally from sunrise to sunset. Please do not make Maui a resident/owner only destination. Hotels will price the middle class out of their vacations.

Lies, Damn Lies and Statistics about Vacation Rentals

Has anybody fact-checked the numbers? We keep hearing these numbers over and over repeated by our governor Josh Green, the media and our legislature since December.

In the written testimony for the very first Hearing of SB2919 (companion bill to HB1838) on 2/2/2024 you will find the testimony by Jerry Gibson for Hawaii Hotel Alliance with attached 15 pages of a report from alltherooms.com

See SB2919 status page:

https://www.capitol.hawaii.gov/session/measure_indiv.aspx?billtype=SB&billnumber=2919&year=2024

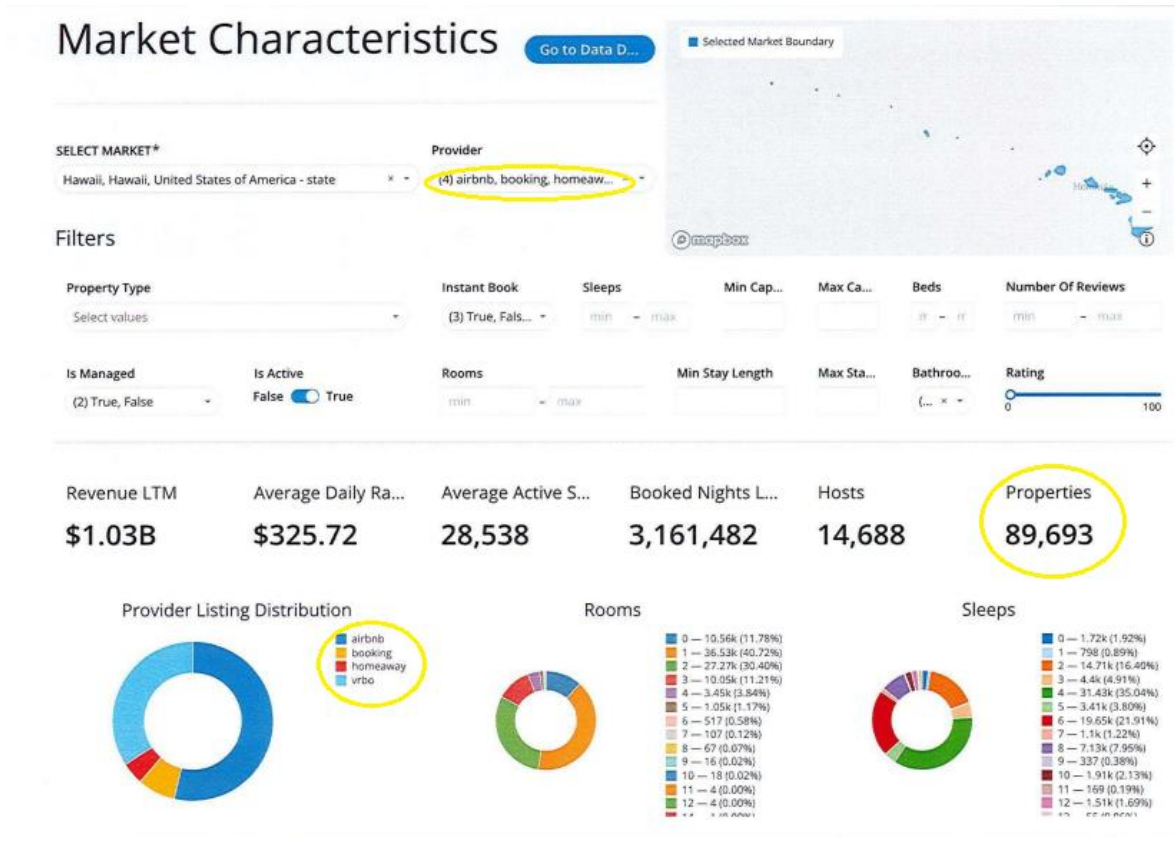
Below "Testimony", click on "[SB2919 TESTIMONY CPN-EET-PSM 02-02-24](#)",

Jerry Gibson testimony starts on page 12-28 and includes the "alltherooms" report, Kekoa McClellan starts on page 29.

Jerry Gibson (VP at Blackstone RE Hotels & Resorts) states in his testimony: "The significant disparity between Hawai'i DBEDT 2022 number of 15,382 STRs in Hawai'i and the actual count of 89,693 legal and illegal short-term rentals (see attached reports from alltherooms.com) underscores the urgency of reining in this industry. With a potential excess of approximately 74,000 illegal short-term rentals that are unpermitted units, the detrimental effects on affordable housing are profound."

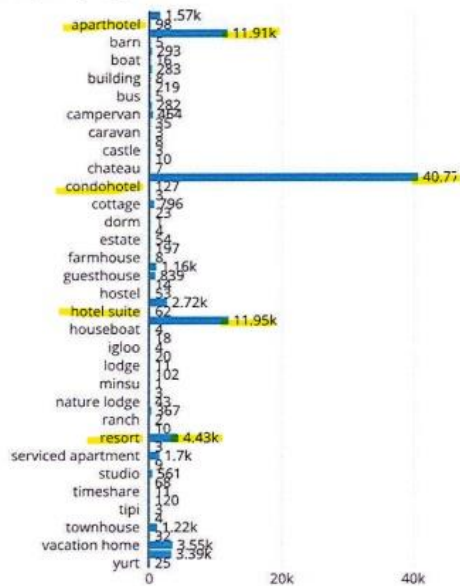
The same data is referred to by Kekoa McClellan (American Hotel and Lodging Association), Stephanie Donoho (Kohala Coast Resort Association) and other Hotel lobbyists as well as being repeated in many news articles and interviews. If you take a closer look, it appears the data is unfortunately flawed and misleading.

1. The report combines listings from Airbnb, Booking.com, Homeaway, VRBO seemingly without deduplication. Most vacation rentals are listed on several booking sites.



2. The report includes property types like aparthotel, condohotel, hotel suite, resort which seem to represent the majority of the numbers (see blue bar chart "Property Types"). Remember the report was supposed to be about vacation rentals?

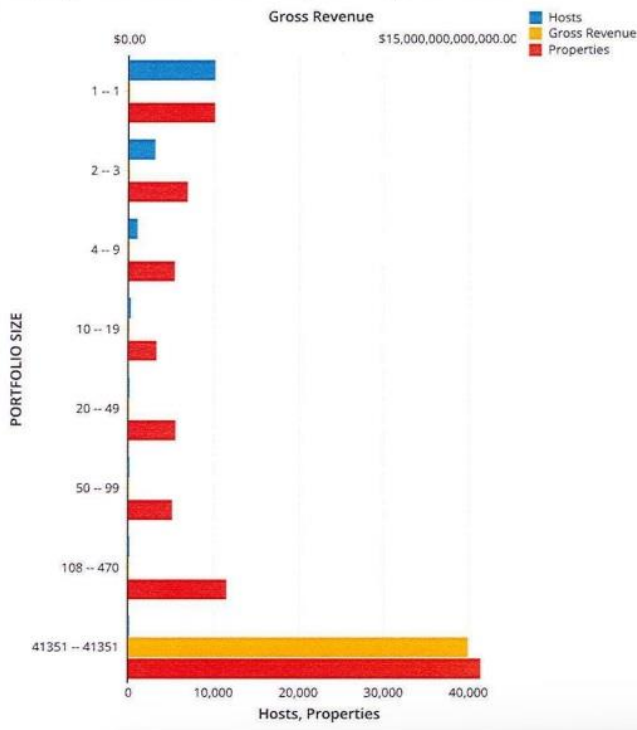
Property Types



3. The red, orange, blue bar chart titled "Hosts, Gross Revenue and Properties by Portfolio size":

Again, probably they did not account for the same unit listed on multiple sites. Again the word "host" is not the same as "owner" on these listing sites. Most likely those are property management companies that advertise multiple listings. Especially if condohotels and resort units are included. The large orange and red bar on the very left is just really strange. Supposedly some host has 41,351 listings exactly and makes a gigantic amount of gross revenue, like \$15 Trillion Dollars? Not likely, I would be looking into the underlying data on that one.

Hosts, Gross Revenue and Properties by Portfolio Size

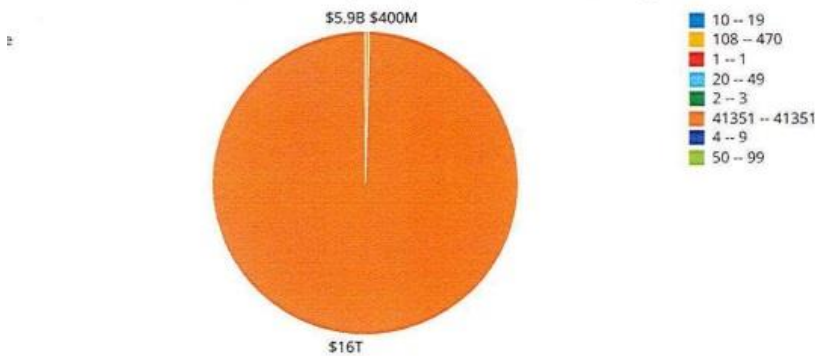


4. The big orange pie chart with table below "Property Operator Groups by Revenue by Portfolio Size", this is statewide:
 13,125 Hosts or 89.36% of all Hosts have 1-3 vacation rentals listed (portfolio size)

305 Hosts or 2% of all Hosts have more than 20 vacation rentals listed

Interesting, lots of small-scale operators, we have heard otherwise. Also adding up the column "Properties" results in 48,160 total number of properties. That again includes condohotel, resort units etc and duplicates. The last line in the table again is questionable, a "0" host has 41,533 properties and makes \$16 Trillion, nah. But of course if you add that weird line, than you get to the 89,693 properties Jerry Gibson cites.

Gross Revenue by Properties Under Management



Property Operator Groups by Revenue by Portfolio Size

Portfolio Bin Group	Hosts	PORTFOLIO SIZE	Gross Revenue	Properties
2	10,082	1 -- 1	\$210,523,372.21	10,082
3	3,043	2 -- 3	\$402,978,986.45	6,911
4	1,010	4 -- 9	\$687,054,167.61	5,436
5	248	10 -- 19	\$1,107,146,523.15	3,366
6	178	20 -- 49	\$3,668,138,336.17	5,549
7	75	50 -- 99	\$5,862,010,764.75	5,229
8	52	108 -- 470	\$62,110,669,838.79	11,587
9	0	41351 -- 41351	\$16,034,481,705,673.47	41,533

Apparently this is also the data that Josh Green keeps referring to (see Hawaii News Now video "Spotlight Now" for Feb. 6, 2024 for example). You can see Josh Green looking down during the interview when he says "89,693". He was looking at the first page of the data from "alltherooms", the same report as submitted by Jerry Gibson in his testimony (see 13:35).

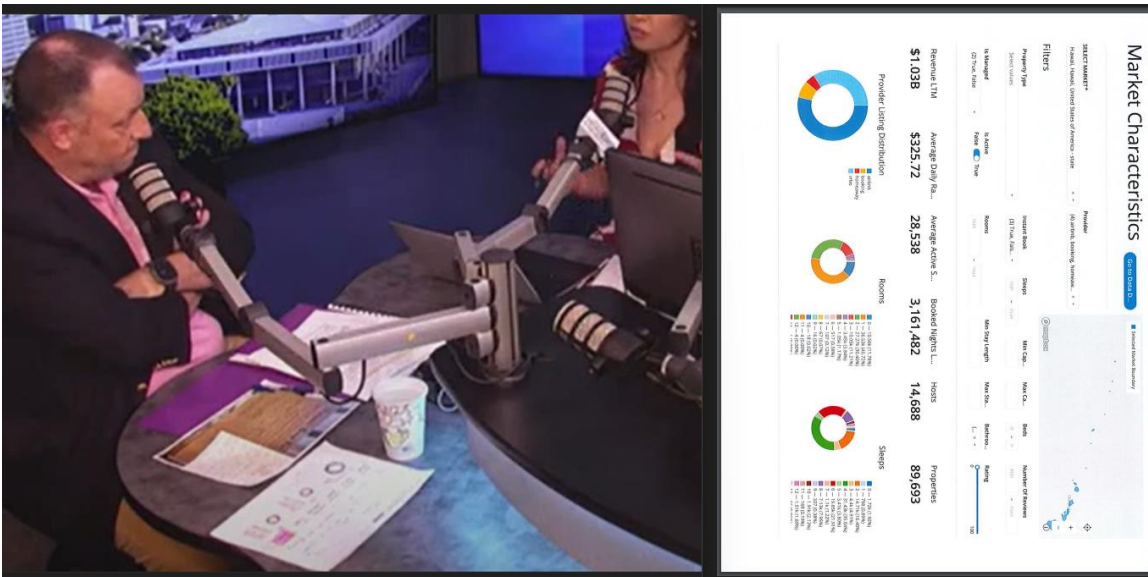
See Hawaii News Now video "Spotlight Now" for Feb. 6, 2024:

<https://youtu.be/8GZhsNhHtko?t=427>

7:12 "we have done some deep dives into the short-term rental challenge we have...27% of those who own short-term rentals own 20 or more units..."

7:38 "Statewide it's 89,693... 74,000 of them are illegal..." , "...actually 31,000 on Maui.."

13:35 view of table with first page of "alltherooms" report in front of Josh Green



One reporter seemed to have asked for a source and reported: "Green's office was unable to explain where he got the number of "illegal" rentals, which by his math was 75,000. But the Department of Business, Economic Development and Tourism said the numbers are similar to those calculated by a local hotel industry advocacy organization, the Hawaii Hotel Alliance."

Hawaii News Now article "Lawmakers: Cracking down on illegal vacation rentals won't solve housing crisis" dated Feb 28, 2024:

<https://www.hawaiinewsnow.com/2024/02/29/lawmakers-cracking-down-illegal-vacation-rentals-wont-solve-housing-crisis/?outputType=amp>;

Josh Green's Director of Communications happens to be Makana McClellan, the wife of Kekoa McClellan (same Hotel lobbyist mentioned above).

Just two days ago Governor Josh Green released "The Hawai'i We Deserve" policy report. On page 58: "There are an estimated 30,000-89,000 STRs in the State of Hawai'i. Only 14,000 of these rental units are legal; the remaining rental units are illegal. [30]"

He references two sources for this:

1. A Hawaii News Now article quoting the governor himself as the source: "Converting those to long-term rentals sounds easy, especially when the governor suggested thousands are illegal. "We got 89,000 short-term rentals in the state of Hawaii, of which are only 14,000 are legal," he said, at a news conference Tuesday."

See *Hawaii News Now* article:

<https://www.hawaiinewsnow.com/2024/02/29/lawmakers-cracking-down-illegal-vacation-rentals-wont-solve-housing-crisis/?outputType=amp>;

2. A UHero blog post, which says: "Of the state's 565,000 total housing units, 30,000 are listed as Short-term Vacation Rentals (STRs), meaning roughly 5% of local housing units operate as tourist accommodations."

See *UHero* blog post:

<https://uhero.hawaii.edu/short-term-vacation-rentals-and-housing-costs-in-hawai%ca%bbi/>

It sure looks like the 30,000 is from the UHero blog, the 89,000 is from the overblown alltherooms.com report by the Hotel industry. Well if we use the overblown number from the alltherooms report then we can calculate: 89,000 STVRs - 14,000 legal STVR = 75,000 illegal STVR, this seems to be how Josh Green and others have calculated this. Calculating numbers like this with incorrect inputs will always result in incorrect results. Garbage in, garbage out.

The same kind of calculation is made in Jerry Gibson's written testimony: "The significant disparity between Hawai'i DBEDT 2022 number of 15,382 STRs in Hawai'i and the actual count of 89,693 legal and illegal short-term rentals (see attached reports from alltherooms.com) underscores the urgency of reining in this industry. With a potential excess of approximately 74,000 illegal short-term rentals that are unpermitted units, the detrimental effects on affordable housing are profound."

See DBEDT 2022 Visitor Plant Inventory, page 7, number of Vacation Rentals 15,382:

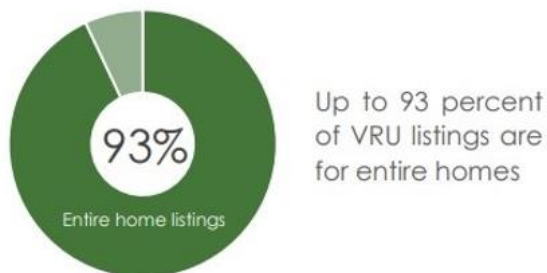
<https://files.hawaii.gov/dbedt/visitor/visitor-plant/2022VPI.pdf>

Another number we often hear is "27% of those who own vacation rentals own 20 or more units". This seems to be from the Appleseed report dated 2018 page 7. It says: "hosts with 20 or more units earned more than 27 percent of the total revenue generated by multi-unit hosts". The sentence in the report really has a very different meaning. Also again "host" doesn't mean "owner". The report adds a disclaimer: "It should be noted that the study was conducted by a group with ties to the hotel industry"

The source is reference 39 "Hosts with Multiple Units- A Key Driver of Airbnb Growth, CBRE Hotels' Americas Research, March 2017(p. 19)."

See Appleseed report "Hawai'i Vacation Rentals: Impact on Housing & Hawai'i's Economy" dated March 2018 , image of page 7 below:

<https://hiappleseed.org/publications/hawaii-vacation-rental-impact-study>



These entire-home rental hosts are likely not renting their primary residence, as the hosts would need to vacate the premises for the duration of their guests' visits. Rather, entire-home listings are likely posted by multi-unit hosts who use VRU platforms to facilitate commercial-style rental operations. **From 2009 to 2014, the number of Airbnb booked entire-home listings increased by an annual average of over 100 percent.**³⁸ A recent study suggested that **hosts with 20 or more units earned more than 27 percent of the total revenue generated by multi-unit hosts.**³⁹ It should be noted that the study was conducted by a group with ties to the hotel industry, but if even close to accurate, it paints a compelling picture of who is benefiting from VRUs.

During the recent Hearing for SB2919 on 3/15 Rep. Holt chimed in to support passage of the bill: "...Statistics say that 27% of short-term rental owners own 20 or more units...", speaking to his fellow lawmakers and in front of the public. There it was again, the false data.

Rep. Holt during Hearing for SB2919 SD2 on 3/15/2024 at 1:42:17:

https://youtu.be/M_Jc-RuAMx4?t=6137

WHEN will someone CHECK the data? So this is the data being used to rile up the public and justify these draconian bills against vacation rentals?

SB-2919-HD-1

Submitted on: 3/31/2024 4:51:27 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith Zimmerman	Individual	Oppose	Written Testimony Only

Comments:

I am a returning visitor who rents a private condominium home located in a resort that functions legally. I am opposed to SB 2919. I rent condos instead of staying in a hotel because condos are more affordable and offer kitchens to prepare meals for my family. I pay 18% GET/TAT taxes when I book. I spend money on local restaurants, entertainment activities, shopping, excursions, state parks and museums.

SB-2919-HD-1

Submitted on: 3/31/2024 4:52:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Catherine J Smart	Individual	Oppose	Written Testimony Only

Comments:

I have spent many wonderful visits to my favorite condo on Maui. I love reenting condos since they are much more comfortaable and home like than hotel rooms. I require a special diet and renting a condo with a kitchen make it possible for me to travel and visit your beautiful island.I pay taxes and support the local economy with the funds I spend on entertainment and dinning, I love your island and without the availabilty of condos I may not be able to continue visiting it.

MaHalo,

Catherine

SB-2919-HD-1

Submitted on: 3/31/2024 5:29:32 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matt Hubner	Individual	Oppose	Written Testimony Only

Comments:

Dear Honorable Members of the Committee,

I write in **strong opposition** to this bill and ask that you defer it due to its unconstitutional nature. I understand the Attorney General has informed you that there is no constitutional liability; however, ask yourself why there is no single use targeted in the existing language of this measure. Would you consider phasing out of long term home rentals constitutional? If you see the conundrum this will create by targeting individual lawful uses, nonconforming or not, then you must realize that should this measure pass, there will be litigation. Beyond constitutional rights, you must consider the loss of income and jobs this action will result in.

Thank you for your time,

Matt Hubner

SB-2919-HD-1

Submitted on: 3/31/2024 5:53:32 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eugene A Modell	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Kyle T. Yamashita, Chair and Representative Lisa Kitagawa, Vice-Chair

I OPPOSE SB 2919 for the following reasons:

My name is Eugene A. Modell and I thank the committee for the opportunity to testify about this bill. My wife and I have been condo owners at Papakea Resort Maui since 1988.

Papakea Resort Maui is an ocean-front property completed in 1978 and consists of 364 individually owned condominiums. Papakea was initially marketed and sold as vacation rental property and indeed we in our individual unit have hosted many guest individuals and families for 36 years. Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use. The majority of units at Papakea are under 600 square feet and the property has limited parking. Papakea is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties. Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

Papakea owners have been operating legal vacation rentals for almost fifty years. Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles. Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions, and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities. Indeed, our own condo has utilized the services of several of these aforementioned small businesses every year since we began renting in 1988.

Papakea's Short Term Rentals (STR's) support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Indeed, in just the past 10 years our individual unit contributed approximately \$100,000.00 to these various taxing agencies.

Our guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops. Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB 2919 and urge the committee vote No on this matter.

Respectfully submitted,

Eugene A. Modell

SB-2919-HD-1

Submitted on: 3/31/2024 6:26:51 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Smith	Individual	Oppose	Written Testimony Only

Comments:

As a returning visitor to a condo located in a resort that functions legally, I pay 18% GET/TAT Taxes when I book. I like to rent condos instead of staying in a hotel because condos are more affordable and offer kitchens to prepare meals for my family. While visiting the Islands, I spend money on local restaurants, activities, shopping and excursions. Passage of this bill will curtail my visits.

SB-2919-HD-1

Submitted on: 3/31/2024 6:53:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Francis Jakubowski	Individual	Oppose	Written Testimony Only

Comments:

PLEASE – I implore legislatures to act with wisdom and prudence regarding SB 2919. Delay the passage of the bill pending more community input and review.

There are massive public policy considerations; the impact of which need to be carefully weighed in the best interests of the people of the State. Among those considerations, which have been crystalized by the disasters in Maui, is the apparent lack of available and affordable housing. No doubt we have housing issues. But, a knee-jerk response to gut (--indeed, ban) a particular segment of business in the community –i.e., those affording short term rental options would be unwise and –in the long run and detrimental to your constituents across the State.

There is this assumption that only “rich people” are making money off Airbnb’s and other short term rental (SRT) options. The truth is that average people like me depend on short-term rental incomes to sustain their lives. Many who will lose income generated from a STR will not be far from seeking assistance from legislators to find available housing for their families (for instance, consider who will purchase my home).

No doubt there are those so-called – “rich people,” who see an opportunity in another’s misfortunes. The misfortune of others often results in investors –frequently institutional investors, buying up large swaths of homes –at a discount. Those investors and institutional purchases, made on the back of ordinary Hawaiians and other residents are problematic and reduce availability and affordability. Perhaps limiting the number of homes any individual or entity may own is something to be studies further.

I am quite certain that if I sell my home, it will be swept up by one of the so-called “rich people” who can afford to let it sit vacant.

I worked my whole life to buy a condominium that I eventually hope to retire in...and hopefully provide a place where extended family can visit –(i.e., in a resort area that otherwise has been priced well out of their reach (e.g., Ko-Olina resort hotels will never be affordable to my extended family who worked their entire lives in the automobile industry in Flint, MI; an economy that has been completely decimated by the movement of jobs to Mexico/China etc...).

It’s not fair to take from me what I worked my entire life for; there has to be a happy medium.

The proponents of this new law have to understand that it's passage will most certainly result in extensive litigation. While housing affordability and availability are critical, so too are property rights. It would be wrong to not look for a balance. Property rights are fundamental and while, affordable and available housing may also be fundamental, it is imperative to ensure a balance, assess alternatives, consider contributions and "fairness" (i.e., the contribution of hotel/tourist conglomerates).

It seems appropriate to reflect on Lord Blackstone's comments regarding property:

There is nothing which so generally strikes the imagination, and engages the affections of mankind, as the right of property . . . and yet there are very few who give themselves the trouble to consider the origin and foundation of that right.

William Blackstone, *Commentaries on the Laws of England*

In my view, legislators have a DUTY to reflect on Lord Blackstone's words. Hawaii's issues with regard to affordability and availability of housing are not San Francisco's, Los Angeles, and New York issues. And, social studies (<https://uhero.hawaii.edu/short-term-vacation-rentals-and-housing-costs-in-hawai%CA%BBi/>) that assert:

"Hawaii STRs play a truly outsized role in the housing market compared to other locations" are inadequate without also considering Lord Blackstone's reflections, the law, the impact of litigation, the equities, the long term economies, the price to be paid by the middle class, and the benefits to be reaped by the destruction of reasonable and responsible competition that the SRTs provide in response to the multi-billion dollar corporations that truly do take from the ordinary Hawaiian residents. Sure, they provide jobs. Their profits, too, are nothing short of shocking.

It is ironic that hotels are some of the worst offenders of corporate greed, land grabs, and fleecing customers. A casual review on the internet etc... clearly demonstrates that corporations like the Marriott, Hilton, etc.. are a massive force behind an anti-STR push. Yet somehow, they've managed to convince almost everyone who has not been able to purchase a home that it is somehow the fault of your next-door neighbor who owns an STR. SRTs are easy targets.

Those hotel conglomerates have created a SRT boogeyman. Don't let them get away with it. At a minimum carve out exceptions for owners in resort areas who provide an alternative and at least a bit of competition. You should also consider the carbon footprint of hotels that was/dry and change sheets and towels every day. SRT guests are not afforded the same luxury and as such a substantially greener than hotels and resorts. When factored across the entire State the hotel/conglomerates are massive polluters, and it will get worse if SRTs are phased out.

A possible compromise might be to consider limiting the number of SRT units that might be owned by any single individual/investor/corporation. Presently, the proposed statute would take away an income to middle class individuals trying to make ends meet. That isn't progress toward

availability and affordability. Rather, that is a blow to middle class individuals who –in the end, could be pushed in to circumstances where they cannot keep their own homes.

Owners of STRs eking out a few hundred a month after paying their mortgages, property managers, and dozens of other expenses are not responsible for the availability and affordability crisis. Taking from them will, in the end exacerbate the problems.

Why don't legislators consider that many if not most of the housing affordability and availability issues might, in fact, be primarily caused by multi-national corporations who have gobbled up billions of dollars of real estate in every city (and in particular Honolulu). The money and power they possess serve as a barrier to STR competition. To have to share a tiny sliver of lost profits with "average Joe's" -like me trying to carve out a pittance (compared to their profits) of extra income to keep up with inflation, pay a mortgage, pay for health care of family members, and put kids through college is simply intolerable to these conglomerates.

The attacks –indeed possible prohibition, related to SRT does not seem to apply to the hotels and resorts that have suites or cabins and fully equipped units suitable for long-term rentals. Why are they exempt and/or not similarly regulated? If they are exempt from this ruling, it is because they have a commercial group of multiple units as compared to short term residential properties. Can or should this be re-looked insofar as this law is concerned? Legislators should consider what is to prevent a group of STR owners with properties distributed in a relatively small compact area banding together to become a commercial resort entity and carry on as before.

SRTs are an easy scapegoat. What is seldom reviewed, weighed, and discussed are affordable housing developments and pushback from agricultural conglomerates and massive land estates. There are also the "Not in My Backyard (NIMBY) communities. Anti-growth NIMBYs do not want to build more units and instead point to the alleged greedy SRT owners. The NIMBY's combine with a very powerful and well financed hotel lobbying effort to create an easy target. With that said –there are some pretty awful STR hosts who are hosting for all the wrong reasons and create havoc in neighborhoods.

The point of the above is that some regulation and oversight of SRTs are appropriate. But, the proposed law is clearly an over-reaction to an isolated group that has been targeted without any deep assessment, balance, or fairness. Reasonable regulations short of outright takings of property coupled with an impact assessment and contributions from other elements impacting housing is not an unreasonable ask –prior to passing this bill.

If I am forced out of my SRT and have to sell –which I do not want to do as I worked my whole life for a place in Hawaii to own; it will still not be an affordable unit for locals. However, your proposed law and regulations will just make homes like mine accessible and available to those with loads of cash (--for example Silicon Valley investors, and rich commercial mortgage brokers from Los Angeles) that can afford to let it sit vacant.

If you kill the STR industry by passing this proposed law, the vast majority of houses will just get transferred to "rich people" who don't need the STR income. The house(s) will likely sit empty. The lure and beauty of Hawaii is not going to disappear anytime soon. So, investments by

rich people who are patient will prove, in the end, to be a fruitful payoff. The investors will continue to buy up properties, and some may rent long term. But they will also factor in the risks (--which are substantial given laws/regulations that favor tenant and squatter rights). Thus, those looking for long term housing solutions who could not afford a house before are likely going to be able to afford a long-term rental --as investors consider the risk/rewards in their calculus. Many --if not most will let the house sit vacant (considering the substantial risks) as Hawaii will always be a lure --unlike many other communities who are experiencing similar housing issues.

Hawaii's STR community is not the boogey-man. They provide a necessary service, and actions being proposed similar to those in California, in the Utah ski communities, and in various venues on the east coast, will not serve Hawaii. There is nothing in the US that compares to and is as alluring as Hawaii. Hawaii is different. Employing laws and regulations to alleviate housing affordability and availability that are not tailored, fair, holistic, and require all (including commercial/corporate conglomerates) to contribute a fair share will simply end-up in court, wreak havoc and uncertainties, and have a disparate impact on a select group. The proposed law is not tailored and will adversely and disproportionately impact many middle-class individuals. The impact tourism/tax flow revenues will be negatively impacted --clearly, and --ultimately the law will be a disservice to Hawaiian resident.

Please consider working more closely with community representatives to find a fair/equitable way ahead with regard to SB 2919.

Thank you.

Very respectfully,

John F. Jakubowski; Resident, Ko-Olina

SB-2919-HD-1

Submitted on: 3/31/2024 8:10:32 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maria Bean	Individual	Oppose	Written Testimony Only

Comments:

Temporary and short term rentals are needed in HI.

Think of temporary workers, displaced residents because of disasters, patients coming for medical treatments, etc.

Not everyone can afford tp stay at an expensive hotel.

This bill will create a housing shortage.

Please vote no on this bill.

Mahalo

SB-2919-HD-1

Submitted on: 3/31/2024 8:34:22 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Dudden	Individual	Oppose	Remotely Via Zoom

Comments:

Dear Committee Chair/Committee Members,

I appreciate the opportunity to present my testimony against SB2919 in writing and by Zoom. I must work today as a self-employed O’ahu taxpayer, not paid by a union or a governmental entity, to attend the hearing.

I strongly oppose SB2919 and its potential negative impact on my ability to continue providing a 30-day rental in Hawaii. My husband and I are senior citizens who self-managed 30-day rental to help support ourselves and contribute positively to our community.

Most families who choose our 30-day rental have deep ties to O’ahu or live here.

Our upcoming holiday rental actually lives on our block. Family members will be able to stay within walking distance of each other, which will foster their Kailua Ohana. Therefore, the environment will be spared additional cars driving over the Pali highway.

Our 30-day rental home has provided comfort and support for families and individuals during sensitive and important times in their lives.

For example, a family stayed in our home while lovingly spreading their Mother’s ashes on Kailua Bay. Their Mother was born and raised in Kailua and loved spending time on Kailua Beach. The family felt Mom would be most at peace spending eternity at the beach she loved.

Parents have rented our home for 30 days while their son retired and transitioned out of a high-ranking naval post.

During the Marco Polo fires, a family lived in our furnished home, *free of charge*, for weeks while their condo was repaired.

Our current 30-day renter was born and raised in Kailua. Her sister lives in Waimanalo. Anne, our renter, comes to Oahu every year. She loves staying near her family. If forced to stay in an expensive hotel in Honolulu, visits with her sister would be shorter and less frequent, and the contribution to the Windward economy would be less.

These meaningful connections by respectful adults demonstrate that our 30-day rental profoundly impacts families during difficult or significant times in their lives.

If SB2919 is passed, it will have repercussions for residents and visitors alike. The bill could disrupt the housing options for displaced residents, newly housed residents, individuals in transition, inter-island residents seeking medical treatment, traveling nurses, emergency contractors, temporary military personnel, construction workers, and students.

The bill's proposed restrictions and regulations would negatively impact the livelihoods of local families who depend on the vacation rental industry.

The woman who helps me clean is a prime example. She has asked me why you want her to lose her job! Formerly, she cleaned hotel rooms but finds the flexible hours of 30-day rental cleaning allow her to be available for her young children. Cleaning for me and other owners pays much better than cleaning for hotels. This is especially important now that she is the sole family support since her husband is receiving chemo treatments for cancer.

Our Kailua-based handyman helps to maintain our home. Stephan purchases supplies from HardwareHawaii here in Kailua—not at the big box store in Honolulu. Tom, who cares for the yard, was born and raised in Kailua. Our 30-day rental helps him afford to live in Hawaii.

Please consider the far-reaching implications of ending 30-day rental. Recognize the essential role that legal and compliant 30-day rentals play in supporting families, enriching the lives of residents and visitors, and contributing to the local economy.

As you work towards finding solutions that support the community's needs, address housing for Maui, and support local rental hosts, do not allow emotion to overrule practicality. Hawaii needs 30-day rentals and the TAT and GET taxes they generate. I plead with you to preserve the 30-day minimum rental period Statewide. Oppose SB2919.

Thank you for considering my testimony in opposition to SB2919.

Respectfully,

Virginia Dudden

SB-2919-HD-1

Submitted on: 3/31/2024 10:07:51 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keila Paahana	Individual	Support	Written Testimony Only

Comments:

I strongly support SB 2919 which allows counties to phase out short term rentals! This has been an issue for many years and since the fire in lahaina it has open many eyes to this issue. We need housing for our local people. We need to end short term rentals.

SB-2919-HD-1

Submitted on: 3/31/2024 10:12:01 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

Stong support!

SB-2919-HD-1

Submitted on: 3/31/2024 10:20:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dino Rivera	Individual	Support	Written Testimony Only

Comments:

I Dino Rivera support SB2919

SB-2919-HD-1

Submitted on: 3/31/2024 10:25:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Georgina Renee Mano	Individual	Support	Written Testimony Only

Comments:

SB2919 SD2 HD1:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,
[Georgina R. Mano

SB-2919-HD-1

Submitted on: 3/31/2024 10:30:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aja Toscano	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Though this topic is poignant now because of the housing crisis my hometown faces. It is truly an issue felt around the state, especially in places like Waikiki, where I have lived for the past 10 years.

This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

sincerely,

Aja Toscano

SB-2919-HD-1

Submitted on: 3/31/2024 10:31:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noel Shaw	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition.

Thank you for your attention to this critical issue. And I beg of you to please listen to the leaders of the Lahaina Strong movement who even whilst experience the extreme trauma of surviving the most devastating fire in 100 years have organized to support the healing of their community and protection of the greater community.

Listen to Lahaina,

Noel Shaw

SB-2919-HD-1

Submitted on: 3/31/2024 10:34:32 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sara McGuire	Individual	Support	Written Testimony Only

Comments:

I am in strong support of measure SB2919, SD 2 HD1 as it will alleviate some of the immeasurable trauma that the Lahaina community has experienced. Our local residents need reliable housing that allows them to truly heal. Amidst the tragedy, short home rentals are a huge disrespect, where profits are being put ahead of the needs of our community, and further, statewide, short term properties are driving up housing costs, ultimately displacing our families. SB2919, SD 2 HD1 clarifies that our counties have the clear right to phase out short term rentals in a reasonable amount of time.

SB-2919-HD-1

Submitted on: 3/31/2024 10:35:59 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Consuelo Apolo-Gonsalves	Individual	Support	Written Testimony Only

Comments:

I am in support

SB-2919-HD-1

Submitted on: 3/31/2024 10:38:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cathy Lee Nava	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a resonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank You for your attention to this critical issue.

Sincerely,

Cathy Nava

SB-2919-HD-1

Submitted on: 3/31/2024 10:39:19 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Javin Turalva-Albano	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

*Sincerely,
Javin Turalva-Albano*

SB-2919-HD-1

Submitted on: 3/31/2024 10:44:54 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cecila Gomez	Individual	Oppose	Remotely Via Zoom

Comments:

Oppose SB2919

Folks sorry to tell you but you're all crossing a red line in disavowing peoples inalienable rights to continue to rent their properties for every 30 days. Look I know how politicians behave when they have not delivered and when they try to be popular. That is what this bill SB2919 is all about. If your constituents want more housing, more lands, more everything don't take it on us since we are providing necessary housing to these residents with flexible rental terms of 30 day minimum. Changing property rights like this can obviously led to continued degradation of other property rights. Here do you draw the line? When a resident has purchased a property legally, operated it legally and paid taxes legally they obviously have entitlements that cannot just be taken away whimsically or unilaterally – not matter how many stupid propositions, ordinances and bills you pass. We do not live in a banana republic where a local government or a group of legislators do whatever they want to do.

You know very well what is coming if you pass this law, right?

Cecilia

SB-2919-HD-1

Submitted on: 3/31/2024 10:46:38 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stacey Alapai	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

STRs have been a major factor in the rising cost of housing worldwide, and on an island the problems with it are exacerbated to the extreme. If you boil our housing shortage down to a supply and demand issue, STRs take up supply meant for long term housing and increase demand for out-of-state investors. Regular residents on limited income simply cannot compete with tourism money. Housing should not be a commodity available for sale to tourists -that's what hotels are for. Housing is a human right, and should be prioritized over profits. As our elected representatives, WE the PEOPLE are the ones who vote for you, not the tourists who come here for vacation.

Sincerely,

Stacey (Makawao, 96768)

SB-2919-HD-1

Submitted on: 3/31/2024 10:47:00 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Prescott Bailey	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Prescott Bailey

SB-2919-HD-1

Submitted on: 3/31/2024 10:47:28 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lora Santiago	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill SB2919.

SB-2919-HD-1

Submitted on: 3/31/2024 10:47:49 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Emanuel Pangilinan	Individual	Support	Written Testimony Only

Comments:

This is vital to the future of community in Maui! Please support the people with their hopes of rebuilding the community. Thank you.

SB-2919-HD-1

Submitted on: 3/31/2024 10:50:51 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rowan Adara	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. We need to make Maui livable for our residents. Right now it isn't, and it is driving people who were born and raised here out of the state. Thank you for your attention to this critical issue.

Sincerely,

Rowan Adara

SB-2919-HD-1

Submitted on: 3/31/2024 10:52:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carlos Lamas	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Carlos Lamas, a Lahaina resident and I support SB2919. This bill empowers our counties to effectively manage short-term rentals, balancing economic benefits with the preservation of community character and resident needs.

The recent legal challenges highlight the urgency for clear, supportive legislation. SB2919's amendments provide our counties with the tools to regulate land use and ensure that transient accommodations are managed responsibly, also extending tax laws to cover a broader scope of accommodations.

As a Lahaina resident, I've seen firsthand the impact of unchecked short-term rental growth. This bill offers a way to sustain our welcoming spirit for visitors while maintaining the livability and affordability of our homes for residents.

Mahalo for reading my testimony in support of SB2919 for the well-being of our communities and the fair management of transient accommodations.

SB-2919-HD-1

Submitted on: 3/31/2024 10:54:47 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Kevin Kekoa Dolan-Ma	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely, Thomas

SB-2919-HD-1

Submitted on: 3/31/2024 11:02:12 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelle Becker	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Michelle Becker

Lahaina resident

SB-2919-HD-1

Submitted on: 3/31/2024 11:03:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kazuo Flores	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Kazuo Flores*

SB-2919-HD-1

Submitted on: 3/31/2024 11:03:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Millena buraco	Individual	Support	Written Testimony Only

Comments:

[HB1902,HD1 SD1 Sample Testimony](#)

“Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.
millena Buraco*

SB-2919-HD-1

Submitted on: 3/31/2024 11:04:18 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cuitlahuic Ramos	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Cuitlahuic Ramos

SB-2919-HD-1

Submitted on: 3/31/2024 11:05:00 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Wahinehookae	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Eric Keali'i Wahinehookae

SB-2919-HD-1

Submitted on: 3/31/2024 11:05:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alapaki Diamond	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Alapaki Diamond

SB-2919-HD-1

Submitted on: 3/31/2024 11:06:53 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Iwa Bryan	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Iwa Bryan*

SB-2919-HD-1

Submitted on: 3/31/2024 11:07:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laurie Roberson	Individual	Support	Written Testimony Only

Comments: "Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees, I am writing to express my very strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. I implore you to prioritize the well-being of our community and take a stand against the negative impact of short-term rentals by supporting bill SD2919. Let us work together to preserve the essence of Maui, protect our residents, and ensure a sustainable future for generations to come. Mahalo for your time and consideration. you for your attention to this critical issue. Sincerely, Laurie Robertson

SB-2919-HD-1

Submitted on: 3/31/2024 11:12:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ann williams	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Ann Williams*

SB-2919-HD-1

Submitted on: 3/31/2024 11:12:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marisa Pangilinan	Individual	Support	Written Testimony Only

Comments:

On behalf of Hawaii and Maui residents, please prioritize the Maui community over home ownership of people who reside other places and use our land to profit. People who simply use the property here to benefit them part time and aren't truly invested in the welfare of Hawaii. The people want to heal so please support bill Sb2919. Thank you.

SB-2919-HD-1

Submitted on: 3/31/2024 11:22:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alberta Lono	Lahaina Strong	Support	Written Testimony Only

Comments:

I ask you pass SB2919 SD2 HD1

In Liberty

Alberta Lono-Morolt

SB-2919-HD-1

Submitted on: 3/31/2024 11:22:58 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
A. C.	Individual	Support	Written Testimony Only

Comments:

With the introduction of short-term rentals within residential areas, such as those offered through Airbnb, affordable housing for locals on islands such as Maui is no longer possible, even for those making over \$75,000 per year! This industry is responsible for displacing millions of local residents in communities around the world by encouraging outside buyers to grossly skew the housing market in favor of lucrative short-term rentals. The ripple effect is clear in the lack of workers who can stay due to a lack of affordable housing options. Over the past 20 years as a renter, I witnessed first-hand the dramatic shift in available rentals after Airbnb became popular. It changed the island, it has robbed it of so much of its aloha and it has forced thousands of local residents who had made Maui their home for decades to relocate. They have caused too much injury to be sheltered through politics. Local communities must have the right to self-correct the extreme damage this industry continually perpetuates.

SB-2919-HD-1

Submitted on: 3/31/2024 11:29:00 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chelslynn Matagiolo	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Chelslynn Matagiolo

SB-2919-HD-1

Submitted on: 3/31/2024 11:30:16 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sheryl Johnson	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Sheryl Johnson*

40 year Lahaina Resident

SB-2919-HD-1

Submitted on: 3/31/2024 11:35:53 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Blossom Jean FLORES	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Blossom Flores

Resident of Lahaina

SB-2919-HD-1

Submitted on: 3/31/2024 11:37:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
KEALA FUNG	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Keala Fung

SB-2919-HD-1

Submitted on: 3/31/2024 11:38:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Ho	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Richard Ho

SB-2919-HD-1

Submitted on: 3/31/2024 11:46:14 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vanessa L	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am an in extreme support of this bill. Our people who live, love and breathe Lahaina need long term housing. Enough of the short terms due to urgency of getting our people back into safe homes and out of hotels. Make Lahaina, Lahaina again.

me ke aloha,

Vanessa Lum

SB-2919-HD-1

Submitted on: 3/31/2024 11:48:00 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ben Maben	Individual	Support	Written Testimony Only

Comments:

I lived on Maui for 15 years, all 15 years in Lahaina. Even at least back then, rents were still low enough in some places where you could get a room or two with some of your friends, work a few days a week and be able to afford rent. No savings no future but being able to enjoy the day to day. But it was obvious there weren't enough places to live or opportunities to buy for a local or even a member of the workforce.

Nowadays I work in a hotel, and people ask why they can't get pool service today? Why can't they get room service?? Why can't they get this? Why can't they get that? And I tell them it's because there's not enough people to work, period. And usually they start talking about how people are lazy before I cut them off and tell them, "No, there literally are not enough people to work. Tons of people left during Covid. Prices went up. Then a fire wiped out the heartbeat of the west side. Those who are fortunate enough to survive don't even have proper homes. It's been almost a year and we have how many families still living in hotels? How many of the people making these decisions are living in a hotel? Lawmakers could've prevented this years ago, and put limits on short term rentals to make sure that this didn't become a problem; We've always had more jobs than people to work them on the west side. This fire Has shown that it's much worse. Most of the workforce will not be able to afford to come back. Hotels and commercial real estate were given priority over housing for the locals and the workforce. We have a chance now to correct some of that problem and phase out short-term rentals to make sure that there's enough housing for those people who big and small businesses here on Maui, and particularly on the west side, need for their workers.

Look at this interview from an article posted on kitv.com regarding Sb2919

"It doesn't make sense to rip out an industry or you know, rip the bottom out of an industry because if we don't have the vacation rentals if we don't have the STRS I can't pay my housekeepers. They're not going to dinner at the restaurants. They're not buying the groceries. And we've got people that are they may have a place to live but they don't have a way to pay for those places to live. So how does that make sense?" said Kelli Blair Swan, executive director of the Maui Vacation Rental Association.

She's implying that 1) The housekeepers who she pays aren't contributing members of society. That they are not going to restaurants and that they're not buying groceries. How does she think

they eat?

2) If she's not paying her housekeepers enough to go to restaurants and buy groceries, then how did she expect for them to pay for the inflated prices of rent given The low supply and high demand of long-term rentals.

Her interview reveals how tone deaf the short term rental people are and how they are worried about themselves and not the community.

And to combat her assertion that there would be no jobs if she had to let go of her housekeepers, let me remind that Maui, particularly West Maui has consistently had one of the lowest unemployment rates in the country, and that there are always, and have always been more jobs than people to work them.

An investment property is an investment, it's not guaranteed to make money. I invested in some stocks, they're not guaranteed to go up for the rest of my life. Housing a local for the long term can still cover a mortgage. If the short term rental owner got a 15 year lease with a bad interest rate, and then are told they need to convert to a long term rental, maybe they can go get a loan modification. After all, that's what I was told to do with my home that burned to the ground. And I'm just trying to live in mine, not make money off of it.

This was the easiest decision and should've been done from day one after the fire. It should've been done years ago, but it was neglected by lawmakers, and this is a chance to make it right.

Do the right thing.

-Ben Maben

SB-2919-HD-1

Submitted on: 4/1/2024 12:01:33 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Riley	Individual	Oppose	Remotely Via Zoom

Comments:

I oppose SB2919,

Unfortunately, there are two groups that support SB2919 – they are the:

1. hotels who wish to increase their profits off-island by establishing a monopoly on local rented for 30 days or more on homes owned and operated by island residents
2. those who complain about illegal of rentals < than 30 day rental that cater to tourist and vacationers. The 30 day or greater rentals have nothing to do with the tourist, no vacationers. Instead its local residents with services jobs, its local residents who need transient rentals while their homes are getting repair or upgraded etc.

Many politicians either eager to gain notoriety or popularity will vote on such any bill without fully understanding the adverse impact it will have in our local economy. In addition, it will dwindle many of the essential workers (especially medical workers) that come to this island because no one wants to be holed up in hotel for very long. Unfortunately many politicians who have trouble balancing their checkbooks have the slightest understanding of the economic implications this bill will have on the very people they think they are trying to help.

Let's stop the stupidity, stop SB2919 as there are other bills worth considering such as: SB2948

Patrick Riley

SB-2919-HD-1

Submitted on: 4/1/2024 12:03:37 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Crawford	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

Sincerely,
Greg Crawford

SB-2919-HD-1

Submitted on: 4/1/2024 12:04:52 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lauren Palakiko	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Lauren Palakiko

SB-2919-HD-1

Submitted on: 4/1/2024 12:07:12 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Misti Kotter	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of Bill SB2919 SD2 HD1

As a resident of Maui and raised Lahaina, I am writing to express my strong support for Bill SB2919 SD2 HD1. This bill is a crucial step towards addressing the negative effects of short-term rentals in our community and protecting the quality of life for residents of Maui.

Short-term rentals have had a detrimental impact on our neighborhoods, driving up housing costs, disrupting communities, and straining local infrastructure. Due to the quantity of short-term rentals, it has reduced the availability of long-term housing options for local residents, exacerbating our major housing crisis.

By allowing counties to phase out transient vacation rental units through zoning ordinances, this bill will help restore the balance in our neighborhoods, prioritize the needs of local residents, and preserve the unique character of Maui. I urge the legislature to support Bill SB2919 SD2 HD1 and take decisive action to phase out short-term rentals in Maui. This bill is a critical step towards protecting our communities, promoting affordable housing, and fostering a more sustainable future for all residents of our beautiful island. Thank you for your attention to this important issue.

Misti Kotter

SB-2919-HD-1

Submitted on: 4/1/2024 12:12:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kamakaawahilani Hoshino	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices, thank you for your attention to this critical issue.

Sincerely,

Kamakaawahilani L Hoshino

SB-2919-HD-1

Submitted on: 4/1/2024 12:38:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Stanley	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

How will Maui sustain its communities without long term rentals? How will we sustain friendships and business relationships without long term rentals?

Many of us cannot afford to purchase a home.

Many of us cannot afford private schools. Can public schools provide our children with the support they need as their parents are struggling to find housing and afford food and clothing ?

Are we a destination only? Or, can we look closely at the residents of the island and recognize the future they deserve?

Sincerely,

Mary Stanley

SB-2919-HD-1

Submitted on: 4/1/2024 12:41:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Billy woods	Individual	Support	Written Testimony Only

Comments:

Phase out short term vacation rentals like you guys did here on Oahu. Not a more crucial time right now for the people of Maui Lahaina I'm in support of this bill. Mahalo nui billy woods

SB-2919-HD-1

Submitted on: 4/1/2024 12:41:56 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Chun	Individual	Support	Written Testimony Only

Comments:

My kids who have good jobs could only afford to rent rooms because of vacation rentals driving up the price of rentals and reducing the supply. Again and again they lost their rentals because the rentals were converted to vacation. Please support giving our counties the power to phase out transient vacation rentals. The only reason we have them is because of the powerful real estate lobby. The real estate people make a ton of money on inflated real estate values due to offshore investors buying homes and turning them into vacation rentals. But us regular people suffer because of transient rentals.

SB-2919-HD-1

Submitted on: 4/1/2024 12:42:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teresa Mupas Purugganan	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,
teresa mupas purugganan

SB-2919-HD-1

Submitted on: 4/1/2024 12:45:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexander K.D. McNicoll	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,
Alexander McNicoll

SB-2919-HD-1

Submitted on: 4/1/2024 12:49:01 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dianna Cao	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in SUPPORT of SB2919, SD2 HD1 to phase out short-term rentals in Maui County.

A unit my family was living in at Kahana Manor for over 20 years was sold. The new owner transitioned the unit into a vacation rental, and for months after my aunt struggled to find a reasonable priced unit. I had also lived at Kahana Manor many years ago as well, unfortunately now all I see are units here listed on Airbnb and VRBO. These units are specifically marketed towards tourist and therefore taken away a living space for a local family.

I am urging you to please, stop the short term rentals to allow a local family to remain in Hawaii. Kauai County has an effective procedure in place to phase out short term rental, Maui County can too.

Mahalo,

Dianna Cao

SB-2919-HD-1

Submitted on: 4/1/2024 1:23:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
M. Llanes	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

The outmigration of longterm residents is hitting a critical mass, this is primarily due to the out of control housing costs throughout the state but exponentially on Maui. How will you run your businesses without local support?

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

MeleLani Llanes

Makakilo, O'ahu

SB-2919-HD-1

Submitted on: 4/1/2024 1:24:56 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexa caskey	Individual	Comments	Written Testimony Only

Comments:

I just bought a condo that has historically been a STR specifically to put into the FEMA pool for laguna residents after my house in Wahikuli burnt down, but I've been told that they're no longer accepting units.

Now why would you stop accepting solutions when solutions are still needed unless you're trying to make the problem worse? And why would you want to make the problem worse? To enact more control over people? What is the purpose of this bill? How can you tell people they can't have STRs when my STR won't get accepted into the program as a long term rental because they're no longer accepting units? What's the actual agenda here?

SB-2919-HD-1

Submitted on: 4/1/2024 1:59:26 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shana Kanani Benz	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Kanani Benz

SB-2919-HD-1

Submitted on: 4/1/2024 2:24:24 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Malia Marquez	Individual	Support	Written Testimony Only

Comments:

Aloha Kākou,

I strongly support SB2919. Three of our 'ohana homes were lost. Our Maui 'ohana are struggling and need help. We are long overdue in taking care of our own people. Please do the right thing and support SB2919. It's time to mālama OUR people over those who flew here. Mahalo.

SB-2919-HD-1

Submitted on: 4/1/2024 2:42:01 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul Carter	Individual	Support	Remotely Via Zoom

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Paul Carter

SB-2919-HD-1

Submitted on: 4/1/2024 3:01:33 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Lefelar	Individual	Oppose	Written Testimony Only

Comments:

I have stayed in short-term rental properties on Maui on multiple occasions and the experience has been spectacular. It would be disappointing to see HI alter the dynamics of allowing short-term rentals.

SB-2919-HD-1

Submitted on: 4/1/2024 3:05:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Penny Kaukau	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Penny Kaukau

SB-2919-HD-1

Submitted on: 4/1/2024 3:06:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Madison mcgain	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

SB-2919-HD-1

Submitted on: 4/1/2024 3:18:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristin Ringstad	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

Aloha, my name is Kristin Ringstad and I would like to thank the committee for the opportunity to testify about this bill SB2919. I would like to share with you some information about the Resort Property of Papakea on Maui.

Background on Papakea

Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.

Papakea was initially marketed and sold as vacation rental property.

Papakea has never been workforce housing so Papakea is not an example of a property that was converted from workforce housing to transient vacation rental use.

The majority of units at Papakea are under 600 square feet and the property has very limited parking.

Papakea is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.

Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”

Papakea’s Contributions to the Community

Papakea owners have been operating legal vacation rentals for almost fifty years.

Papakea’s resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea

means putting these folks out of business with fewer employment opportunities.

Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, numerous local fund raisers, and shops.

Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community and local residents.

For the reasons stated herein I OPPOSE SB2919 HD1 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 3:23:07 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Darren Opunui	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Darren Opunui

SB-2919-HD-1

Submitted on: 4/1/2024 3:36:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaiko Anderson	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely

Kaiko Anderson

SB-2919-HD-1

Submitted on: 4/1/2024 3:53:48 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
SusanEgdamin	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members , I am writing to express my strong support for SB2191, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Wildfire Disaster in Lahaina has proved how short term rentals affect our communities significantly. This is obvious in many of the communities across our islands. Short term rentals drive up cost in, push our local people out because it is not affordable.

Please support this bill to keep our people home, housed and happy. We are hard working people and we need to be able to keep our people on island in their communities, as a generation.

Thank you for your attention.

Susie Egdamin

SB-2919-HD-1

Submitted on: 4/1/2024 3:58:36 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marissa Godinez	Individual	Support	Written Testimony Only

Comments:

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
marissa Godinez*

SB-2919-HD-1

Submitted on: 4/1/2024 4:27:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Darice Garcia	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Darice Garcia

Dear Senator Rhoads, Chair, Senator Gabbard, Vice Chair, Senator Dela Cruz, Chair, Senator Moriwaki, Vice Chair, and Members of the Committee:

I have been an owner of a condo in the Papakea property located on Maui since 2009 and I **OPPOSE** SB 2919 for the following reasons:

- The Papakea is one of the top revenue generating STR properties in Maui, with each unit within the property contributing an average of nearly \$8000 in taxes per unit. With over 300 units in the complex, that adds up to over \$2.4 million in taxes per year to the county of Maui that will be lost if HB 1838 becomes law just from one property.
- The STR classification properties in Maui generated \$213.7M in real property tax revenue in FY23-24, representing approximately 20% of the county operation budget. This property tax will be decimated if HB 1838 passes. How will the county replace this revenue and continue to support local residents without a reduction in services?
- The impact to the local labor market will be hugely negative. For example, we paid over \$9000 in 2023 to our cleaning company alone. Multiply this by the number of clients they have and it's clear that this local business would cease to exist if HB 1838 passes. And this is just one example. You need to consider the impact to restaurants, bakeries, tour operators, local musicians, chefs....and the list goes on. Passing SB 2919 would be devastating to these businesses and local residents.
- STRs provide employment to 18,000 residents in Maui County and 49,000 state wide. These jobs include cleaners, property managers, contractors, and their families. Where is the data that shows these impacts? How many jobs and taxes would be potentially lost with a measure like HB 1838?
- STRs will contribute \$13.4 million in revenue to the Affordable Housing Fund, the largest contribution to this fund to date. Over the last 5 years, the STR classification has generated \$45 million for this fund. How could this fund replace this revenue that would be lost for the most part if SB 2919 passes.
- For the reasons stated herein, **I OPPOSE SB 2919 AND URGE THE COMMITTEE TO VOTE NO ON THIS MATTER.**

Respectfully submitted,

Joseph Consul
Papakea STR owner since 2009

SB-2919-HD-1

Submitted on: 4/1/2024 4:33:53 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kimberly Falk	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

Thank you for the opportunity to testify about this bill.

As a property owner at Papakea for approximately 45 years, I **OPPOSE** H.B. SB2919 for the following reasons:

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, a shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have the authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.

- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built for in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase-out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked up into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours and select their clients, work conditions, and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests who have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein, I OPPOSE SB2919 and urge the committee to vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 4:39:01 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Edan Madeline McLeod	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919

Thank you for your time.

Sincerely,

Edan Madeline McLeod

SB-2919-HD-1

Submitted on: 4/1/2024 4:39:07 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jim Onderko	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My Wife and I have been coming to Maui since 1988 when we were first married. We purchased the Papakea in 2014 with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.

Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years.

Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on island agents, and contractors. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community, including my wife and I who have been returning a few times each year.

Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter

April 1, 2024

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919.

Thank you for your time today to hear my testimony. My name is Sonia McLeod, and I am representing my parents, Hugo and Brigitte Eppich. My parents have been visiting Maui for over 40 years and purchased a unit at Papakea back in 2016. I am writing to express our strong opposition to SB2919. As a property owner in Papakea and someone deeply invested in the island's community and economy, I urge you to reconsider this legislation and its potential impact on local and offshore owners like my parents.

Short-term vacation rentals in Papakea are not only a source of income for local and offshore owners but also a means of maintaining a connection to Maui's unique culture and lifestyle. Many Canadians, like ourselves, have invested in Papakea with the intention of enjoying it as a vacation home and renting it out when not in use. This arrangement allows us to contribute to Maui's economy while also affording us the opportunity to enjoy the island's beauty and hospitality.

Furthermore, Papakea's short-term vacation rentals play a crucial role in supporting Maui's tourism industry and small businesses such as: cleaning and maid service, small maintenance companies, restoration, pest control, construction companies, furniture retail, building supply retail, and so much more. In addition, Papakea Resort has created 50 years of employment for local residents with jobs covering management positions to grounds keeping and other building maintenance. Papakea also retains contracts to sub-contractors specializing in garbage disposal, window replacement and just recent, a complete upgrade to plumbing. This adds another level of financial support to several local businesses for the people of Maui.

It appears the government has invested heavily on advertisement on tourism commercials, we see presently on the mainland. We assume that tourism is a significant driver of its economy. The advertising dollars spent on promoting tourism we assume aim to attract visitors, with government idea to boost local businesses, and create job opportunities. Limiting or removing short-term vacation rentals seem contradictory to these advertising efforts, as it reduces accommodation options for tourists.

In conclusion, I respectfully urge you to oppose SB2919 and protect the short-term vacation rental property owners, local and offshore, at Papakea. By doing so, we can uphold the principles of fairness, economic prosperity, and community well-being that are integral to Maui's identity.

For the reasons stated herein we **OPPOSE SB2919** and urge the committee vote no on this matter.

Sincerely,

Sonia McLeod, representing, Hugo and Brigitte Eppich, Owners
[REDACTED]

SB-2919-HD-1

Submitted on: 4/1/2024 4:44:05 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jean Onderko	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919

Thank you for the opportunity to submit our opposition to SB2919.

- Personal Impact to our family:
 - Senate Bill 2919 poses a significant threat to our family's livelihood as well as many others – without solving the root cause of the issue which is to help local displaced families.
 - My family purchased a property to use as a future home and rental property, to support the local community, which we have visited and loved for many years.
 - Through this property, we provide employment and income to property managers, housekeeping staff, groundskeeping staff, the many employees of Papakea Resort, and tourism income through taxes and tourist spending.
 - We truly love Maui and contribute to the community through community service efforts as we do at home in San Diego.
 - If we are forced to discontinue short term rental of our unit, we will be unable to pay the mortgage. This will impact our good credit and put our home and savings at risk, through no fault of our own. This will **not** solve the housing problem in Maui, as the unit will sit empty.
 - Please, focus on helping the families who have been displaced by reasonable, not political, solutions. These families need help in terms of action, not by the government stealing livelihoods from others.
- Legal impact/concerns:
 - It is a slippery slope for the government to begin to dictate how families utilize the homes that they own. Where does this end? Will you be paying my mortgage since you aren't allowing me to rent for a reasonable market rate?
 - Further, SB2919 could result in the phasing out of 13,744 legally permitted short-term rentals on Maui, which is far greater than the number of housing units needed. How will the government determine who is impacted?
- Financial impact to Maui:
 - Maui's STRs provide 40% of the real property tax revenue for the county, as well as being the top funding source for affordable housing for Maui.
 - This STR property tax revenue represents 18% of the county's \$1.7 billion dollar budget.
 - If STRs are curtailed, where will the equivalent revenue come from?
 - The impact statewide to so many families is concerning, over 40,000 jobs are supported by the short-term rental industry. Restricting this sector will

have far-reaching consequences on employment for local Maui families. These are the very people you are trying to help.

- Community Impact to Maui:
 - Short-term rentals accommodate various community members, including displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, family & friends.

Regards,

Nicole Jones-Gerbino

SB-2919-HD-1

Submitted on: 4/1/2024 4:45:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sidney McLeod	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919

Thank you for your time.

Sincerely,

Sidney McLeod

SB-2919-HD-1

Submitted on: 4/1/2024 4:47:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brigitte Eppich	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919

Thank you for your time.

Sincerely,

Brigitte Eppich

SB-2919-HD-1

Submitted on: 4/1/2024 4:49:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karina Ball	Individual	Oppose	Written Testimony Only

Comments:

Dear Members of the Committee:

I oppose Bill SB2919 for the following reasons:

1) We own a condo at Papakea in Maui and it supports many local individuals. Most of these individuals would lose their jobs if this wasn't a short-term rental property.

- Papakea employs approximately 35 local resident employees.
- As owners we also support a local management company, housekeepers and contractors.
- Papakea guests support many local small businesses and their employees on Maui including restaurants, tour operators and shops.
- Guests also support employees at the airport, car rental companies, national parks, and state parks.

2) Papakea was never an owner occupied complex. It has been a vacation rental property for almost 50 years. It isn't a desirable property for permanent residents, our unit and many of the other units are very small and only one bedroom. This resort is designed for short term rental, it includes a front desk, activity concierge, common resort activities, and expensive HOA at Papakea.

3) Papakea supports the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Tax revenue for the state and county would decline if Papakea wasn't a short-term rental property.

4) We are presently under contract with FEMA and they are currently housing a local man in our unit who is displaced by the horrible Lahaina Fire. This local individual would likely be unable to find temporary, furnished housing if the short-term rental market was eliminated.

5) This bill does nothing to regulate illegal short-term rentals that are disrupting residential neighborhoods.

SB-2919-HD-1

Submitted on: 4/1/2024 4:53:06 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brandon McLeod	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919.

Thank you for your time.

Sincerely,

Brandon McLeod

SB-2919-HD-1

Submitted on: 4/1/2024 4:53:38 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Peter Webb	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My name is Peter Webb, and I would first like to thank the committee for the opportunity to testify about SB2919.

We engage with a local on island management company to obtain rental income when we are not there. This on island company takes 30% of the rental income.

It is also important to understand that the remaining amount of rental income essentially goes to the local AOA fees and Maui county property taxes.

Virtually all the rental income that is collected is distributed back to the local economy on the island of Maui.

AOAO fees are used to pay for the maintenance of the property and the hard working associates on site at Papakea. Also, local contractors HVAC, Pest control, Electrical, Plumbing, etc, all local Maui based businesses.

Over the last 11 years we have also contributed to the local economy in the form of money spent at restaurants, food trucks, grocery, pharmacies, car rentals, equipment rentals, boat excursions as well as the sales tax associated with all the above items.

It can be logically assumed that in addition to our expenditures, all the individuals that used our unit during the other 10 months of the year did the same and provided the same economic benefit to the island of Maui.

It is important to note that Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rentals.

Papakea also housed and is housing a large number of local displaced residents.

For the reasons stated herein I OPPOSE SB2919 and urge the committee to vote no on this matter.

Respectfully submitted,

Peter and Vickie Webb



[ReplyForward](#)

[Add reaction](#)

SB-2919-HD-1

Submitted on: 4/1/2024 5:05:31 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tamara C Griffiths	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Tamara Griffiths*

Lahaina, HI

SB-2919-HD-1

Submitted on: 4/1/2024 5:08:43 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Redford	Individual	Support	Written Testimony Only

Comments:

More housing for Lahaina fire survivors NOW!

SB-2919-HD-1

Submitted on: 4/1/2024 5:10:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nani Dapitan-Haake	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Esteemed Committee Members,

I reach out to you today to voice my unwavering support for SB2919, SD2 HD1. This proposed legislation importantly acknowledges the counties' definitive rights to gradually eliminate short-term rentals within a reasonable timeframe. The devastating Lahaina fires have highlighted the significant role that short-term rentals play in exacerbating our housing crisis. Numerous communities, Lahaina included, have been negatively impacted by the surge of short-term rentals in areas zoned for apartments, contributing to a scarcity of housing and inflating rental costs. This bill aims to empower local counties with the flexibility to tailor solutions to their unique issues, ensuring that it doesn't impede current budgets. It proposes a considerate phase-out strategy, promoting an orderly transition. I appreciate your focus on this urgent matter.

Warm Regards,
Nani Dapitan-Haake

#Lahainastrong

SB-2919-HD-1

Submitted on: 4/1/2024 5:14:07 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tanya Masukawa	Individual	Support	Written Testimony Only

Comments:

I am in full support of this bill. Our people need houses and places to live. Not vacation rentals for tourists to rent.

SB-2919-HD-1

Submitted on: 4/1/2024 5:16:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christy Shaver	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Christy

SB-2919-HD-1

Submitted on: 4/1/2024 5:18:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lori Ann Koyama	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. As a 5th generation Lahaina Maui Hawaii resident. I have seen our communities struggle. As a Teacher I see first hand how this crisis has affected the keiki of our future.

Thank you for your attention to this critical issue.

Sincerely,

Lori Ann Koyama

SB-2919-HD-1

Submitted on: 4/1/2024 5:23:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Catherine Velasquez	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Catherine Velasquez

SB-2919-HD-1

Submitted on: 4/1/2024 5:27:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
De Andre Makakoa	Individual	Support	Remotely Via Zoom

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Esteemed Members of the Committees,

Following the devastating fires in Lahaina, a tragedy that not only displaced my family but also severed our deep connections to our hometown, I write to express my strong support for SB2919, SD2 HD1. This bill represents a critical measure for those of us who have witnessed firsthand the adverse effects of short-term rentals on our community's housing landscape.

Lahaina is more than just where I work; it's where my family's history and future lie. My family has lived in Lahaina for over a thousand years. I have had the good fortune of moving away for college and experiencing different towns and cities, but when it was time to become a father, my wife and I moved back to Lahaina to start our family. Now, I live over an hour and a half away because I was burned out and there are no options for my family. I never participated in Red Cross or fema. I didn't need that assistance. What I needed was options. The unchecked growth of short-term rentals in residential areas has contributed significantly to our housing crisis, making it increasingly difficult for local families to find affordable homes and stay connected to our roots.

By supporting SB2919, SD2 HD1, you will be taking a stand for the preservation of our communities against the displacement and economic pressures brought on by short-term rentals. This legislation offers a way to ensure that our towns and cities remain accessible and welcoming to the families who have built their lives here.

I urge you to consider the real-world impacts of this issue on families like mine and support the passage of this bill. It's a step toward safeguarding the essence of our communities for current and future generations.

Thank you for your attention to this vital issue.

Mahalo,

De Andre Makakoa

SB-2919-HD-1

Submitted on: 4/1/2024 5:31:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Morgan Anderson	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My name is Morgan Anderson, my wife and I own a condo in Papakea resort.

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the

maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4

of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.

- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 5:33:02 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gail Falkenbury	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Gail Falkenbury

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

My name is Darrell Ball, and along with my brother Michael and mother Carolyn, we bought a condo at Papakea resort in 2018.

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals. • This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

<ul style="list-style-type: none">• Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

<p>For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.</p>

Sincerely,

Darrell O. Ball

SB-2919-HD-1

Submitted on: 4/1/2024 5:44:20 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
kelly bernadette tyler	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Kelly Tyler

SB-2919-HD-1

Submitted on: 4/1/2024 5:46:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Kueker	Individual	Oppose	Written Testimony Only

Comments:

I **OPPOSE** S.B. 2919, HD1 for the following reasons:

I am a property owner at the Papakea in Maui County and proud to be part of a business that has operated as vacation rentals for families and individuals visiting Maui for almost fifty years. Thank you for the opportunity to submit written testimony.

This bill is too broad to achieve the desired outcomes of expanding long-term housing options in West Maui. The majority of units at Papakea are under 600 square feet and the property has limited parking. Papakea is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties which may not be suitable for long-term housing. Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use. Governor Green has also noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.” The counties already have authority to regulate illegal short-term rentals. This bill does nothing to solve the problem of illegal short-term rentals

Continuing to allow short-term rentals is critical to the local economy and community. The Papakea employs approximately 35 local resident employees. The Papakea also supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming. The Papakea short term rentals also support a number of small businesses in the Maui community including housekeepers, handymen, on-island agents, and contractors. For example, we work with an on-island agent who manages and maintains our rental property - providing jobs to multiple people in Maui county. Furthermore, short-term rentals like those at the Papakea support the State of Hawai‘i and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax. Our short term rental guests also support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops. In short, short-term rentals are essential to the local economy. Any legislation that limits or discourages this aspect of Hawai‘i's significant tourism economy would have a negative impact on numerous citizens and businesses in Maui county.

For the reasons stated herein I **OPPOSE** S.B. 2919 and urge the committee to defer it.

Respectfully submitted,

Douglas Kueker

SB-2919-HD-1

Submitted on: 4/1/2024 5:47:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Makenzie Marzluff	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Makenzie

It was unfortunate to hear about this bill that would phase out short term vacation rentals. I realize locals don't want to constantly deal with rotating neighbors. I also understand how investors come in and buy up property for the sole purpose of making a buck. Or a lot of bucks. And that sucks for everyone living there. I would hate it too. But I feel like this quick and drastic action will solve one problem while creating another. If these short-term rentals go away, it would essentially block a vast majority of people from ever experiencing the islands again. My wife and I have been visiting often over the last 10 years. Maui is one of our favorite places in the world. But due to enormous price increases (4X increases in some cases), the hotels and resorts aren't an option. Thankfully, we've had ourselves a great host and a great place available to us. A host that isn't about the money. But rather, about educating us mainlanders on the customs, resources, and unique traditions of the island. So... Hopefully, there's another solution out there.

SB-2919-HD-1

Submitted on: 4/1/2024 5:52:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Inda	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Jenn Inda


SB-2919-HD-1

Submitted on: 4/1/2024 5:52:04 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelekona Maielua	Individual	Support	Written Testimony Only

Comments:

 for Lahaina

SB-2919-HD-1

Submitted on: 4/1/2024 5:57:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jasmine Valdez	Individual	Support	Written Testimony Only

Comments:

“Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

*Sincerely,
Jasmine Lei Valdez*

████████████████████

████████████████████

SB-2919-HD-1

Submitted on: 4/1/2024 6:12:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Haylee Watson	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Haylee Watson

SB-2919-HD-1

Submitted on: 4/1/2024 6:13:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon K. I'i	Individual	Support	Written Testimony Only

Comments:

Aloha Committee ,

I am writing to express my strong support for SB2919, SD2, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.as a fire survivor and one who lost everything we need this win please for the hope of our community.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. As we work towards addressing this issue, it is essential to ensure that SB2919 applies to apartment-zoned properties as well. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices.

Therefore, I urge you to include language in SB2919, SD2, that explicitly applies to apartment-zoned properties, ensuring that all areas affected by the negative impacts of short-term rentals are adequately addressed.

Thank you for your attention to this critical issue.

Mahalo,

Shannon K. I'i

SB-2919-HD-1

Submitted on: 4/1/2024 6:13:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl hendrickson	Individual	Support	Written Testimony Only

Comments:

Aloha-

Please support HB 2919 to allow counties to enact a zoning ordinance to phase out transient vacation rentals.

Many neighborhoods/ communities across the state have been negatively affected by the proliferation of short term rental properties exacerbating our housing shortage and driving up rental prices.

Allow counties to enact a zoning ordinance to phase out transient vacation rental units. Expand the scope of the transient accommodations tax law to include certain shelters and vehicles with sleeping accommodations.

Mnay Mahalos

SB-2919-HD-1

Submitted on: 4/1/2024 6:14:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Veno	Individual	Support	Written Testimony Only

Comments:

SB2919 SD2 HD1:

“Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and

driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Susan M. Veno

SB-2919-HD-1

Submitted on: 4/1/2024 6:18:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gerald Tariao Montano	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

As a member of the community and pediatrician, I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices.

Housing is an important determinate of health for our keiki(1). If housing is not adequately met, it will detrimentally affect the well-being of our keiki. Inadequate housing is associated with poor mental health, a decline in grades, obesity, and poor sleep (2). Though SB2919 SD2 HD1 addresses the housing crisis, it also addresses the public health crisis caused by the lack of adequate housing.

Thank you for your attention to this critical issue.

Sincerely,

Gerald Tariao Montano, DO

References:

1. Victorino, C.C., Gauthier, A.H. The social determinants of child health: variations across health outcomes – a population-based cross-sectional analysis. *BMC Pediatr* **9**, 53 (2009). <https://doi.org/10.1186/1471-2431-9-53>
2. Xiao Y, Mann JJ, Chow JC, et al. Patterns of Social Determinants of Health and Child Mental Health, Cognition, and Physical Health. *JAMA Pediatr.* 2023;177(12):1294–1305. doi:10.1001/jamapediatrics.2023.4218

SB-2919-HD-1

Submitted on: 4/1/2024 6:19:02 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sandra Lundborg	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashia,

I am writing in support of SB2919. Counties need the ability to phase out Short Term Rentals.

Short Term Rentals contribute to our housing shortage. This situation has become critical since the Lahaina Fire. We have Lahaina residents leaving the islands every day.

Short Term Rentals need to be under the control of each County. They pay substandard wages, skirt taxes and benefits and distroy the fabric of our neighborhoods. The hotels are designed for tourist. Residential neighborhoods are for residents. Please move this bill forward.

Sincerely,

Sandy Lundborg

Napili, Hawaii

SB-2919-HD-1

Submitted on: 4/1/2024 6:19:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christine Kaakau	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Christine Kaakau

SB-2919-HD-1

Submitted on: 4/1/2024 6:23:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Crystal Dombrow	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill for how it will help Maui fire survivors and their families.

SB-2919-HD-1

Submitted on: 4/1/2024 6:25:34 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roshelle Butihi	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Roshelle Butihi

SB-2919-HD-1

Submitted on: 4/1/2024 6:28:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephanie A	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Stephanie A

Sherry P. Broder
Honolulu, HI 96822

Aloha House Finance Committee Chairperson and Committee Members.

I am submitting this testimony in strong opposition to SB 2919, SD 2, HD1. This bill is great for the lucrative hotel industry of and bad for local people who have the opportunity to access a very small portion of the tourism dollars through short term rentals.

I am very fortunate and grateful to have been a local Oahu resident for decades and my children and grandchildren were all born and live in Hawaii.

The major and real problems of housing affordability in Hawaii are NOT short term rentals. Below are just some of the problems that contribute to housing affordability.

1. The counties keep approving more hotel rooms, more tourists keep coming to Hawaii, and then many tourists want to have a home in Hawaii. Approvals have been made for more hotels in Ko Olina. The County Planning Directors are recommending approvals for more hotel rooms, more expensive housing for non-locals and more golf courses at Coco Palms, Koloa/Poipu, Punaluu on the Big Island, In 2018, the Maui Planning Commission has approved the construction of a new hotel in Wailea, the 200-room Piilani Suites. There's a wave of new hotel development on Oahu, where more than a dozen properties are in the planning or the construction pipeline with delivery goals between 2023 and 2027. Two large hotel projects are planned, including the 36-story, 515-room AMB Tower at the Hilton Hawaiian Village, Residence Inn, 162-room extended-stay hotel Residence Inn planned for the old Pacific Business News Building near the Hawai'i Convention Center, and many others too numerous to list.
2. The super wealthy and international corporation receive the tourism dollars in Hawaii. Private equity companies own almost 30% of Hawai'i's hotel rooms. It has been reported that Hawai'i continues to be attractive for private equity buyers because it's one of the highest performing hotel markets in the country, says Tim Powell, principal of Powell & Aucello. Local people do not share in the real tourism dollars because of the high barrier to entry.
3. Land ownership is concentrated in a very few landowners in Hawaii which drives up the price of land.
4. The cost of materials is very high because of the shipping costs and the competition for materials.
5. Hawaii is like the national trend of the rise in economic inequality making it harder for lower-income households to buy secure housing. The PEW Foundation reports that the rise in economic inequality in the U.S. is tied to several factors. These include in no particular order, technological change, globalization, the decline of unions and the eroding value of the minimum wage. Whatever the causes, there has been an uninterrupted increase in inequality in wealth since 1980. a greater share of the nation's aggregate income is now going to upper-income households and the share going to middle- and lower-income households is falling. See <https://www.pewresearch.org/social-trends/2020/01/09/trends-in-income-and-wealth->

[inequality/](#) (last accessed 02/27/24). This bill perpetuates this economic inequality by prohibiting ordinary local people from participating in the lucrative tourism market.

6. *More hotels popping up outside of touristy Waikīkī*
It's a trend experts said will likely continue due to the demand for convenient and affordable options. [KITV4](#). (last accessed 02/29/24).
7. *Agency disputes affordable housing loss projection*
A risk assessment of potential Hawai'i affordable housing losses presented Tuesday at the Legislature is overblown, according to a state agency that helps finance such housing. [Star-Advertiser](#). (last accessed 02/29/24).
8. *A tech billionaire is quietly buying up land in Hawai'i. No one knows why*
He's bought 29 parcels, more than 580 acres, in Waimea, and nine others, about 25 acres, at beach resorts. In the majority of instances, he's paid more than current market value, according to public records. [National Public Radio](#). (last accessed 02/29/24).

Moreover, short term rentals bring positive economic benefits to local people and to county governments:

9. All local people bear the burden of tourism. It is unfair that only hotels can make money from tourism. Today the hotels are mostly owned by hedge funds and multinational corporations. For the most part, local people earn low wages at the hotels.
10. Many STR are owned by local people who do not have access to the capital needed to build a hotel and local people should be supported in their efforts to engage in making money from the tourists. The STR market provides new income channels for State and county governments. Prohibiting STRs will contribute to the continuing decline of economic opportunities for local people.
11. Many local people seek to stay at STR rather than a hotel as most often they are a more affordable option.
12. Short term rentals bring tax dollars to the state and local governments.
13. Short term rentals have provided a safety net for local people in times of disaster, such as the Lahaina tragedy, Marco Polo fires, and other situations.

Mahalo nui loa for your consideration of my testimony.

SB-2919-HD-1

Submitted on: 4/1/2024 6:35:36 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chelsea Ching	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Chelsea

SB-2919-HD-1

Submitted on: 4/1/2024 6:40:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danette Trujillo	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

[] "Danette Trujillo

SB-2919-HD-1

Submitted on: 4/1/2024 6:42:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Priscilla Stuckey	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Priscilla Stuckey, PhD

Kihei, HI

SB-2919-HD-1

Submitted on: 4/1/2024 6:42:26 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tia Lee Klug-Wessell	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Tia Lee Klug-Wessell*

March 31, 2024

The Honorable Luke A. Evslin, Chair
and Committee Members Committee on Housing

The Honorable Sean Quinlan, Chair
and Committee Members Committee on Tourism



RE: SB2919 Relating to Property

Dear Chairs, Evslin and Quinlan, and Committee Members,

Mahalo for the opportunity to comment on SB 2919, related to property. I am writing in OPPOSITION to House Bill No. 2919. For almost 30 years, my family has owned a suite at the Papakea Resort which is designed, operated and viewed as a **hotel and condominium rental resort**.

Please see below a link to the PAPAKEA RESORT website and a section of the website that supports that it is **NOT** designated a short-term rental property:

<https://www.aquaaston.com/hotels/aston-at-papakea-resort>

Property amenities and services include:


A daily facility fee of \$17/night* will be added to the daily room rate.

- Activities desk
- Barbecue grills
- Coral beach
- Dry cleaning (\$)
- Enhanced cleaning protocols (Next Level Clean)
- Face mask and hand sanitizer provided upon request
- Fitness center access - 7 a.m. to 5 p.m. (\$) **
- Front desk - 6 a.m. to 11 p.m.
- Internet kiosk (\$)
- Jet spas (2)
- Parking
- Pickleball court
- Putting green (2)
- Putter and tennis rack rental
- Restaurant (located at nearby Aston Kaanapali Shores)
 - The Beach Club Restaurant & BarDelicious perk: Aston at Papakea guests receive a 20% discount off their breakfast and all-day menu! *Discount excludes alcohol. Present your hotel key card to receive your discount.*
- Security - 24 hours
- Shell lei greeting upon arrival
- Shuffleboard courts (2)
- Smoke-free property
- Swimming pools (2)
- Tennis courts (2)
- Use of pool and beach towels
- WiFi Internet access throughout the hotel

Check-in/Check-out:

- Check-in: 4 p.m.
- Check-out: 11 a.m.

Resort Guide

[View our digital resort guide](#)  for all the information you need during your stay with us.

Accessibility

[View property accessibility features](#)

All rooms are subject to a mandatory one-time Departure Cleaning Fee (\$170 for Studio units; \$220 for 1-Bedroom Suites; \$300 for 2-Bedroom Suites; \$350 for 3-Bedroom Suites). This hotel does not offer daily housekeeping service. Daily housekeeping may be arranged for an additional fee. To arrange housekeeping service, please contact the property after confirming your reservation.*

(\$) Additional charge
**Excluding taxes*
***Located next door at Aston Kaanapali Shores*

Amenities subject to change from time to time without notice.

As you can see below, it is listed under **Expedia.ca** and **Hotels.com** and **Tripadvisor.ca**.

 **Expedia.ca**
<https://www.expedia.ca> > ... > Napili-Honokowai Hotels

Aston at Papakea Resort Reviews, Deals & Photos 2024

Located in Kaanapali, Aston at Papakea Resort is in the historical district and on the waterfront. The area's natural beauty can be seen at Kaanapali Beach ...

 **Hotels.com**
<https://ca.hotels.com> > ... > Hotels in Hawaii

Aston at Papakea Resort in Hawaii

View deals for Aston at Papakea Resort, including fully refundable rates with free cancellation. Honokowai Beach Park is minutes away.

 **Tripadvisor**
<https://www.tripadvisor.ca> > ... > Lahaina > Lahaina Hotels

Aston at Papakea Resort - Lahaina Hotels

A garden paradise on "The Magic Isle." This picturesque oceanfront resort is nestled amid 13 acres of lush tropical landscaping and...

★★★★★ Rating: 4 · 1,372 reviews · Price range: \$\$ (Based on Average Nightly Rates for a Standard Room from our Partners)



Papakea has a Front Desk and a Concierge. There are also Check-in and Check-out times. The resort attracts many private businesses and individuals for cleaning, repairing, property managaing, maintenance, events coordinating and caregiving. Papakea also has staff that maintain the grounds and the buildings, manage guests and many other tasks.

There are many resorts, such as Papakea, that have the same business model. If this SB2919 were to pass and these resorts were to only have long-term rentals (6 months +) then many, if not all, the people working at Papakea will lose their jobs and the housing situation will get worse.

Thank you for your time.

Most sincerely,

Monica Feldman

SB-2919-HD-1

Submitted on: 4/1/2024 6:48:57 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Clapper	Individual	Support	Written Testimony Only

Comments:

Aloha ,

I am in full support of this bill SB2919 SD2 HD1

as it would give the counties ability to pages out the over saturation of short term rental housing. It is abundantly clear that our housing market for local families is greatly impacted by these STR and is a negative factor for our community.

Thank you,

Elizabeth Clapper

SB-2919-HD-1

Submitted on: 4/1/2024 6:50:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lorna Holmes	Individual	Support	Written Testimony Only

Comments:

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

SB-2919-HD-1

Submitted on: 4/1/2024 6:52:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Heather Namaau	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Heather N.

SB-2919-HD-1

Submitted on: 4/1/2024 6:53:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teresa Ross Simoon	Individual	Oppose	Written Testimony Only

Comments:

My name is Teresa Ross Simon and I own a condo at Papakea on the west side of Maui. I want to explain why I strongly oppose SB2919.

Papakea was built, marketed, and sold as a vacation rental property. It has never been workforce housing and is not an example of a property that was converted from workforce housing to transient vacation rental use.

Papakea is in the top 25 revenue producers in Maui County and most of this money goes right back into the community – jobs for tradespeople and maintenance people, whose employment and survival relies on Papakea. Guests who stay at Papakea are the lifeblood of the community, spending money that fuels the economy, which is mostly based on tourism. Without this, many local residents could not afford a home. The hateful millennials who call themselves “Lahaina Strong” are clueless about how this bill will WEAKEN Lahaina, when more people lose their homes due to unemployment and reduced tourism.

Most of us at Papakea have been spending time and money on Lahaina, both directly and also thru employment of the real working locals (not to mention payment of taxes) long before these misguided millennials were a sparkle in their parents’ eyes! They only see the surface. It’s easy to tell a popular, lazy story without looking at the real, deeper facts about how Maui’s economy thrives.

It's a terrible heartbreak to see the devastation caused by the Lahaina fires. But please don't shoot yourselves in the foot by passing a bill that will produce even more suffering, more unemployment, more homelessness. Papakea keeps Lahaina strong! This is a bad, emotionally-based short-sighted bill. Let the cooler, more intelligent heads prevail!

Please let me continue to support and participate in the local Maui economy, to continue my relationship with the local residents who live near and work at Papakea. It is my honor that my short-term rental contributes to the livelihood of both the local residents, restaurants and now-struggling small businesses, as well as the good health of the State and County.

SB-2919-HD-1

Submitted on: 4/1/2024 6:53:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danielle Crothers	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

*Sincerely,
Danielle Crothers*

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Kathy Lomeli*

SB-2919-HD-1

Submitted on: 4/1/2024 6:56:52 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tsonnemaker15@gmail.com	Individual	Support	Written Testimony Only

Comments:

I support Lāhainā Strong as leaders of their community who know what their community wants and demands from their public *servants* (aka legislators like yourselves). You have an opportunity to make systemic changes that will be pono for this community and our keiki into the future.

SB-2919-HD-1

Submitted on: 4/1/2024 6:57:56 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Williams	Individual	Support	Written Testimony Only

Comments:

In support of this bill

SB-2919-HD-1

Submitted on: 4/1/2024 7:00:57 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tanya Gabriel	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices.

As a mental health professional, I can attest to the importance of our community members having stable and affordable housing. My colleagues and I have seen a rise in clientele facing impossible stressful conditions related to housing instability. Thank you for your attention to this critical issue.

Sincerely,

Tanya Noelle Gabriel, LMHC, NCC

SB-2919-HD-1

Submitted on: 4/1/2024 7:05:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
pat frambach	Individual	Oppose	Written Testimony Only

Comments:

Thank youfor the opportunity to testify about this bill.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking. • Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.

- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community.

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops. • Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein **I OPPOSE SB2919** and urge the committee vote no on this matter

SB-2919-HD-1

Submitted on: 4/1/2024 7:09:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
michelle	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely, Michelle Herrin

SB-2919-HD-1

Submitted on: 4/1/2024 7:10:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan B Roberts Emery	Green Party of Hawai'i	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing on behalf of the Green Party of Hawai'i , we stand in **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. Bravo, it is not so much a matter of a housing shortage, but a shortage of "available houses" as many sit vacant waiting for a high priced, short-term lease.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Mahalo,

Susan RobertsEmery

Co Chair GPH

SB-2919-HD-1

Submitted on: 4/1/2024 7:13:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Melanie Tennant	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Please support our local work force who are are still houseless yet expected to cater to mainland tourists. Please do not pander to outside interests whose main concern are their wallets, not the welfare of our actual community who live here year round and who are what make Maui so special.

SB-2919-HD-1

Submitted on: 4/1/2024 7:18:12 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David E Shormann	Individual	Comments	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing regarding SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. I support the idea but see the need for a permitting process in this critical issue.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices.

I believe the bill is a start of something good, but it seems a permitting process should be included, where a maximum % of available housing is permitted for short term rentals. Many people in the community earn a living, directly or indirectly, due to short-term rentals. I don't think the current bill goes far enough in ensuring "some" short-term rental units are acceptable.

More also needs to be done to discourage foreign investment in housing.

Sincerely,

David E Shormann, PhD

SB-2919-HD-1

Submitted on: 4/1/2024 7:18:55 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin Garrison	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa and Honorable Members of the Finance Committee,

*I am writing to express my strong **support of SB 2919 SD2 HD1**. As a community, we have faced displacement, high rents, forced relocations under emergency protections and more. As short term rentals in Maui County have come to represent 15% of our housing supply, we cannot find affordable housing nor landlords who prioritize community over profits.*

*This legislation would provide a path to recovery for our local housing market and a chance at stabilizing our community which has lost so much. **Please pass SB 2919 SD2 HD1.***

Sincerely,

Robin Garrison APRN CHPN

Maui, Hawai'i

SB-2919-HD-1

Submitted on: 4/1/2024 7:18:57 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Turi kim	Individual	Support	Written Testimony Only

Comments:

[**SB2919, SD2 HD1 Sample Testimony**](#)

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Over the decades we have seen many people who grew up in Hawai'i have to leave the islands to find more affordable housing outside of the state. It is time to put residents of Hawai'i first, including the future generations that will be impacted by the passage of this bill. Thank you for your attention to this critical issue.

Sincerely,

Turi Kim

SB-2919-HD-1

Submitted on: 4/1/2024 7:19:30 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cheylah	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Cheylah-Marie Uyeda

SB-2919-HD-1

Submitted on: 4/1/2024 7:20:43 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathie Schmid	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

I am writing in opposition of this bill because mid and short-term rentals are important.

- This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?
- Will intentionally interfere with a reasonable lodging ecosystem and allow hotel's to monopolize a lodging sector that they are not even suitable to provide.

I ask that you please do not move this bill forward. Let the counties enforce the laws that they already have.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 7:23:31 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Audrey Alvarez	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Audrey Alvarez

SB-2919-HD-1

Submitted on: 4/1/2024 7:26:06 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leonard Nakoa III	Individual	Support	Remotely Via Zoom

Comments:

Let da counties control the STR's

SB-2919-HD-1

Submitted on: 4/1/2024 7:29:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Howard Alpert	Individual	Oppose	Written Testimony Only

Comments:

Aloha My Legislatures,

I would like to submit testimony regarding my opposition to SB 2919. I am a homeowner at Papakea Resort located 5 miles north of Lahaina. The property currently operates as a short term vacation rental when we occasionally leave the island. The surrounding property is zoned hotel and Papakea has operated as a condo hotel for over 45 years.

Regardless of the legal status of the zoning, I believe it is in the best interests of the Maui community to maintain Papakea’s status as a short term rental. As a short term rental, we employ the following local services:

- Chase ‘N Rainbows
- Trinity Maid
- Lei Floor and Window Coverings
- Lamber Electric
- Alyn Dean Handymen
- Sturdevant HVAC installation and maintenance
- Rainbow Glass
- Hamai Appliance
- Paradise Living Furniture and Upholstery
- ACE Hardware
- Valley Isle Lock and Key

In addition, Papakea employs local people to staff the front desk, landscape and maintenance, property management, pest control, elevator maintenance, painters, and local contractors.

Our unit generates GET, TAT, state income tax and property taxes to support Maui’s \$1 billion county budget.

Our guests support a considerable number of local retailers including restaurants, grocery stores, entertainment venues, golf courses, cruises, and tourist-oriented vendors.

If we don’t get tourists back it will be a risky gamble on Maui’s survival. Papakea is just a small part of the system but integral to providing a low impact industry.

Please consider all the benefits that Papakea brings to Maui.

Mahalo,

Howard Alpert

Papakea



SB-2919-HD-1

Submitted on: 4/1/2024 7:29:54 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
RODNEY MATHIAS	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely

~Rodney Mathias

SB-2919-HD-1

Submitted on: 4/1/2024 7:30:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mackenzie Ozoa	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for

SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Mackenzie Ozoa

SB-2919-HD-1

Submitted on: 4/1/2024 7:30:48 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl burghardt	Individual	Support	Written Testimony Only

Comments:

I **SUPPORT** SB 2919 SD2 HD1 which will allow counties to enact a zoning ordinance to amortize or phase out transient vacation rental units. Expands the scope of the transient accommodations tax law to include certain shelters and, beginning 1/1/2025, vehicles with sleeping accommodations. Effective 7/1/2040. (HD1)

As many counties, including Lahaina and my own Honolulu, have been affected adversely by the proliferation of short-term rentals in apartment zoned areas. This contributes to our housing shortage and driving up rental prices. In the last year alone, in our area of Kou, a studio has gone from \$1500 to \$2000 in the span of a year. Providing each county with the autonomy to address issues which meet their needs, provide a phase-out period, without affecting budgets and ensuring a smooth transition, this bill will help with this critical issue.

SB-2919-HD-1

Submitted on: 4/1/2024 7:30:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kekuulani Haake	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Keku‘ulani Haake

Maui born. Lahaina Rooted.

SB-2919-HD-1

Submitted on: 4/1/2024 7:32:12 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lauren Taijeron	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Lauren Taijeron

SB-2919-HD-1

Submitted on: 4/1/2024 7:34:35 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen Harvey	Individual	Oppose	Written Testimony Only

Comments:

- **As a long time mid-term owner, I strongly oppose this bill**
- **If this Bill passes, there will be no more month-to-month rentals in Hawaii.** This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

I am a single widowed mom (of 13 years) and legal mid-term property owner. I am licensed, rent 30+ days always, and most importantly pay all my Hawaii taxes for all these years since purchasing at KoOlina Kai when the subdivision was first built in 2005-2006. This is the income we need to live on as I am a caretaker. The income is also used to financially help support my local Hawaii ohana. My late husband's large ohana lives locally and are of native Hawaiian decent. Some are 62% native Hawaiian. This bill reduces the number of guests interested in the rental and This bill would negatively financially effect multiple of our local family members that this income assists are the same people that you have said you are trying to help.

This bill would help do the complete opposite. In addition, other local people will also be financially hurt including the potential effect on local jobs such as house cleaners, handyman, etc. and guests coming to the island temporarily to do critical-need jobs such as nurses, electricians, and also those coming for medical treatment, etc. For these reasons and so many, many others, I strongly oppose this bill.

Aloha for your time and attention to my testimony.

SB-2919-HD-1

Submitted on: 4/1/2024 7:34:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert H. Pahia	Individual	Support	Written Testimony Only

Comments:

Strongly support

April 1, 2024

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

Thank you for receiving comments on this important issue.

I own a unit at Papakea Resort. Like virtually all of the units in Papakea, it has been used as a short term rental for the past 50 years. Since the disaster, I have been renting it to a couple whose home burned down in Lahaina. In the future however, I will need to continue short term rentals in order to retain my Hawaiian home.

My unit is a studio which is slightly over 400 square feet and has very limited storage. It is not designed to be a long term rental and is poorly suited for that purpose. My current renters, who lost their home to the fire, are moving out in May because they finally found a larger place. They found our unit to be unsuitable for longer stays.

If short term rentals are banned at Papakea, I will be in a predicament of not being able to do short term rentals and having a difficult time getting long term renters who will stay in our unit. I feel that this is detrimental to the housing stock in Maui and to the Papakea property since the lack of ability to rent will likely cause the property to deteriorate. This is not in anyone's best interests.

During my ownership and use as a short term rental, I have contributed substantially to the island economy by hiring rental agents, house cleaners, handy men, contractors and purchasing many items at local stores (we were on a first name basis with many of the stores). In addition, I have paid GE tax, TA tax, property tax and income tax. I feel that I have been a benefit to the local businesses and economy.

I don't understand the focus on terminating short term rentals when there are so many time shares that are much more intensive uses and will have much less financial impact to owners if they can't rent them short term.

Please help me to retain my Hawaiian home. My wife and I have come every year to Maui for over 40 years. We feel part Hawaiian and greatly respect the Ohana in Hawaii.

Mahalo.
Rich Holmer

SB-2919-HD-1

Submitted on: 4/1/2024 7:50:27 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jaela Naha	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Jaela Naha

SB-2919-HD-1

Submitted on: 4/1/2024 7:51:37 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Athena Roebuck	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am supporting Bill SB2919 and am hopeful that it will pass!!!

It is an extremely Important Bill to help expand power to individual counties to regulate and phase out transient short term vacation rental units over a reasonable period of time.

This is important for all of Hawaii but especially for Lahaina residents now as many are having to move away due to lack of housing. It is extremely sad that over 3,000 fire victims are still in hotels.

Please vote to pass this bill!!

Mahalo,

Athena Roebuck and Family!!

SB-2919-HD-1

Submitted on: 4/1/2024 7:53:30 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kanoelani Delatori	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Kanoelani Delatori

SB-2919-HD-1

Submitted on: 4/1/2024 7:56:18 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Clint Kahahane	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Clint Kahahane

SB-2919-HD-1

Submitted on: 4/1/2024 7:56:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beau Bayne	Individual	Support	Written Testimony Only

Comments:

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Beau Bayne

SB-2919-HD-1

Submitted on: 4/1/2024 8:00:02 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Janelle Brown	Individual	Support	Written Testimony Only

Comments:

For the attention of honorable committee members,

I continue to request support of SB 2919. We are in serious need of housing in Lahaina and short term rentals are the biggest problem. Please pass this measure so we can help the citizens of Lahaina remain in Lahaina and have affordable housing options.

Sincerely,

Janelle Brown

SB-2919-HD-1

Submitted on: 4/1/2024 8:05:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tracy Castro	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Tracy Castro

SB-2919-HD-1

Submitted on: 4/1/2024 8:06:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Grace Delos Reyes	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Grace Delos Reyes

SB-2919-HD-1

Submitted on: 4/1/2024 8:07:18 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Agdeppa	Individual	Support	Written Testimony Only

Comments:

“Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

*Sincerely,
Lisa Agdeppa*

SB-2919-HD-1

Submitted on: 4/1/2024 8:07:18 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Katie	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Katie Shannon*

SB-2919-HD-1

Submitted on: 4/1/2024 8:08:09 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hannah	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and esteemed members of the Committees,

I am reaching out to voice my strong endorsement of SB2919, SD2 HD1. This important legislation ensures that our counties explicitly have the authority to gradually eliminate short-term rentals within a reasonable timeframe. The devastating Lahaina fires have highlighted the significant role that short-term rentals play in exacerbating our housing crisis. Communities throughout our state, including Lahaina, have suffered due to the surge of short-term rentals in areas zoned for apartments. This surge has not only worsened our shortage of housing but has also led to an increase in rental prices. I am a Lahaina resident and it breaks my heart to see my community leave the island in flocks due to the gross mismanagement of these rentals. The proposed bill aims to empower local counties with the flexibility to tackle this issue based on their unique circumstances, all while maintaining their current financial plans. It proposes a carefully considered phase-out period to facilitate an orderly transition. I appreciate your consideration of this vital matter.

With aloha,

Hannah Erickson - Lahaina Resident

SB-2919-HD-1

Submitted on: 4/1/2024 8:15:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Catalina Bu Morrisroe	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Catalina Bú

SB-2919-HD-1

Submitted on: 4/1/2024 8:15:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Froerer	Individual	Oppose	Written Testimony Only

Comments:

Please do not change the tax rates for short term rentals, that would make rentals of any kind not feasible.

As a retired individual on a fixed income, the income derived from my short term rental is vital to my economic survival. Tourism is the lions share of the Hawaiian economy. Mixed use accommodations like the Waikiki Banyan offer tourists more choice when they spend their dollars in Hawai'i. Short term rentals also help travel nurses, mainland workers and displaced hawaiian residents. It would be shortsighted to eliminate it. Also, concerning the NUC that is threatened with being "phased out"...the agreement with the NUC was that if one kept up the annual fee, the NUC would stay in place. There was no grandfather clause. I feel it would be in bad faith for the legislature to renig on the NUC agreement made so many years ago.

SB-2919-HD-1

Submitted on: 4/1/2024 8:16:29 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristen Young	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Kristen

Honolulu resident

SB-2919-HD-1

Submitted on: 4/1/2024 8:18:11 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Candace Stach	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-2919-HD-1

Submitted on: 4/1/2024 8:19:23 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Malialani	Individual	Support	Written Testimony Only

Comments:

Aloha mai kākou,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Where I live on Moku O Keawe, we desperately need more affordable housing for kanaka and kama'aina in order to be able to best serve our communities. This starts with phasing out short term rentals. There are more than enough hotels and hotel rooms to accomodate visitors.

Mahalo for your support in this matter,

Malialani Dullanty

SB-2919-HD-1

Submitted on: 4/1/2024 8:19:23 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mason Kirby	Individual	Oppose	Written Testimony Only

Comments:

The Battle for West Maui's Heart

(an Epic poem in opposition to SB2919)

The Stirring of SB2919

In the land of aloha, where the sea meets sand,

Stood Papakea, Proud upon the land.

Her owners, stout-hearted, carved from courage true,

Offered beds and comfort, as they always do.

But afar in the chambers where the senators convene,

Rose a bill, SB2919, stealthy and unseen.

Crafted by hoteliers with gold-laden grip,

Aimed to clip the wings of each homeowner's ship.

The Gathering of Guardians

Through the coconut wireless, the news swiftly spread

Of SB2919's dread that left many aghast.

The guardians of Papakea, bold and unbowed,

Band together in purpose, their pleas clear and loud.

"We stand for the travelers; for choices they yearn,

Against monopoly's shadow, we resolutely turn.
No to SB2919, and its concealed quest,
To oust those who choose humbler nests for their rest."

The Hotels' Harrowing Haste

Forged in fine feathers, the hotels stood high,
In the opulence of their towering sky.
Yet insatiable hunger glistened in their eyes,
For more dollars and cents beneath Hawai'i's skies.
They pushed forth the bill through the Senate so grand,
Hoping to expunge rivals from the land.
"May SB2919 reign and rule," they cried,
While vacationers' choices would slowly subside.

Upheaval Unleashed

With every heart mighty, the owners opposed,
Their passion for justice fearlessly posed.
In forums, in hearings, they argued their cause,
With not but the defense of fairness and laws.
'Twas a tale for the ages, these titans at odds,
One for profit, the other for variety's broads.
West Maui's warm waters, her spirit entwined,
In this fervent fray, her future defined.

The Combat Concludes

From high in the heavens to deep in the sea,

The struggle ebbed on 'twixt the condo and lea.

'Til wisdom prevailed, and a balance was sought,

For the visitors and dwellers alike it brought.

Papakea remained, a haven for all,

SB2919 faltered, lest both sides would fall.

Thus, peace reigned in Maui, serene and appeased,

The hotels existed, with their fears now eased.

Epilogue of Elysian Ease

Now Papakea stands, as she always has stood,

A testament that giants can yield some good.

With alliteration's lull, humor's kind jest,

The paradise of Papakea forever at rest.

Brave condo owners, with their just cause prevailed,

In harmony with hotels where rivalry paled.

And west Maui's visitors, under a united decree,

Slept soundly, knowing they had a choice—Most certainly.

Thus ends this verse of rivalry and might,

Of Papakea, of fairness, of setting things right.

Though an epic concluded, the tale forever we keep,

As the waves of change o'er sandy shores sweep.

SB-2919-HD-1

Submitted on: 4/1/2024 8:19:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Roell	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919

SB-2919-HD-1

Submitted on: 4/1/2024 8:20:50 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ann Palacios	Individual	Support	Written Testimony Only

Comments:

Aloha all,

Support for SB2919.

Mahalo,

Ann Palacios

Oahu, Hawaii

SB-2919-HD-1

Submitted on: 4/1/2024 8:21:32 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lana	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in strong support of SB2919 SD2 HD1, it clarifies that our counties have a right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires have highlighted the negative impact short-term rentals have on our community. Even before the fires it was hard for local families to keep/have/find housing. This is not only a Maui/Lahaina issue but Island wide. The islands face challenging times being forced out of their own neighborhoods. This drives up prices and is incredibly hard on our local community to survive and thrive.

We need positive change that will support the islands communities.

Mahalo for your time,

Lana Albright

SB-2919-HD-1

Submitted on: 4/1/2024 8:22:02 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sara Patton	Individual	Support	Written Testimony Only

Comments:

I am writing to express my strong **support of SB 2919 SD2 HD1**. As a community, we have faced displacement, high rents, forced relocations under emergency protections, and more. As short-term rentals in Maui County have come to represent 15% of our housing supply, we cannot find affordable housing nor landlords who prioritize community over profits.

This legislation would provide a path to recovery for our local housing market and a chance at stabilizing our community which has lost so much. **Please pass SB 2919 SD2 HD1.**

Sincerely,
Sara Patton

SB-2919-HD-1

Submitted on: 4/1/2024 8:24:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mariko Higashi	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Mariko Higashi

SB-2919-HD-1

Submitted on: 4/1/2024 8:27:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendy Barnfield	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairperson and Councilpersons

Please do not support SB2919. This is an over reach of City and County and the State. Are you saying it's too difficult to regulate STR's? STR's exist all over the world and it is managed well. At this point all the STR's that have complied are being targeted for some sort of monetary gain. We can't solve Hawaii's financial problems. The rail cost upwards of \$10 Billion dollars and it doesn't even function or meet the needs of the people of Hawaii. It was and is the most grossly consuming amount of money and grants the state has ever seen. Now you targeted STR's to solve the rail mis spending. The hotel union is also fueling this as well. Even if all the STR's were gone the hotels would still have their financial whoas . Over taxing us and trying to dry us up is not the answer. I don't disagree with regulation but to try and end STR's is not the answer. Please do not support this.

Sincerely,

Wendy Barnfield

SB-2919-HD-1

Submitted on: 4/1/2024 8:29:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jay Brady	Individual	Oppose	Written Testimony Only

Comments:

I **OPPOSE** H.B. SB2919 for the following reasons:

My name is Jay Brady and I thank the committee for the opportunity to testify about this bill.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.

- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.

- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Task, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 8:30:09 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Delyon	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Elizabeth DeLyon

SB-2919-HD-1

Submitted on: 4/1/2024 8:30:21 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mali Hawes	Individual	Oppose	Written Testimony - Only

Comments:

This bill is anti resident and most likely unconstitutional.

It is nothing more than a gift to the hotel industry - which is NOT LOCAL!

If this bill does manage to survive a legal challenge it will create a precedent for open ended changes to any type of zoning and cause chaos in the property markets.

Next thing you know they will be asking for a zoning change to build hotels on the North Shore - to meet 'Demand'.

Demand that is now being met by short and mid term rentals.

ISWYDT

There are many things that need to be done to alleviate the high cost of housing - this bill is not one of them.

SB-2919-HD-1

Submitted on: 4/1/2024 8:30:35 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Cook	Individual	Oppose	Written Testimony Only

Comments:

Aloha, This bill will cause permanent damage to our family. My wife's family has been in Hawaii since WW 2 and we have collectively owned property since 1950. In 2016 we were forced to sell the longtime family home and leave Hawaii due to the need to provide long-term caregiving expenses for our kapuna. We were able to purchase a Waikik Banyan condo for family use and the STR designation and financial benefit when it is rented has enabled us and our children and grandchildren the ability to have a permanent home for our ohana. The Waikiki Banyan has always been an STR designation building that has allowed STR rentals. Changing this law now is the ultimate betrayal by the Hawaii state government to injure Kamaina families who can no longer afford a house in Hawaii. I ask that this bill be rejected as it will harm an extended local family. The Cook/Zapotocky family says mahalo for allowing this testimony

SB-2919-HD-1

Submitted on: 4/1/2024 8:31:20 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amanda Palmer	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Amanda Palmer

SB-2919-HD-1

Submitted on: 4/1/2024 8:33:34 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Dachtler	Individual	Oppose	Written Testimony Only

Comments:

Dear Committee Members:

Subject: Opposition to SB2919 - Preserving Essential Monthly Rentals on Oahu

I am a homeowner on Oahu who legally rents my property for 30 or more nights at a time, and I strongly oppose the passage of SB2919. This bill, if enacted, threatens to further diminish the already limited number of **legal monthly** rentals on the island, a situation that Oahu cannot afford.

The island is grappling with a shortage of housing options, and any reduction in legal monthly rentals will exacerbate this problem. This bill risks eliminating valuable housing opportunities for displaced residents, those newly housed, individuals in transition, inter-island residents seeking medical treatment or family visits, traveling nurses, emergency contractors, temporary military personnel, and students, as well as our own family and friends.

In times of crisis, such as the Red Hill Crisis and the Marco Polo fires, thousands of residents were displaced. Legal monthly rentals played a crucial role in providing temporary, furnished housing for these individuals. If the proposed legislation passes, it could severely impact our ability to assist residents in need during unforeseen emergencies.

Furthermore, the bill's passage could have unintended consequences for individuals visiting Oahu for work, to spend time with family, or to seek healthcare. With legal monthly rentals at risk, visitors may be left with no choice but to opt for expensive hotel accommodations, potentially costing them \$700 per night. This is an unnecessary burden that will adversely affect both visitors and the local economy.

The proposed removal of an existing land use, as outlined in SB2919, is particularly concerning in light of the recent Supreme Court decision in *Knick v. Township of Scott, Pennsylvania* (588 U.S. __, Case No. 17-647). This landmark property rights case underscores the importance of avoiding land use takings without just compensation. SB2919 risks trading on the delicate balance between property rights and regulatory interests, potentially exposing the state to legal challenges at the Federal level.

In conclusion, SB2919 poses a significant threat to the already limited legal monthly rentals on Oahu. The island relies on these accommodations to serve a variety of needs, from emergency

housing for displaced residents to providing affordable options for visitors. The bill's passage could not only exacerbate the housing shortage but also open the state up to legal challenges, particularly in light of the recent Supreme Court decision. It is crucial to reconsider and strike a balance that addresses concerns without disproportionately impacting homeowners and the essential services provided by legal monthly rentals.

Sincerely,

Elizabeth Daly

SB-2919-HD-1

Submitted on: 4/1/2024 8:34:48 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jade Moreno	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The evidence is clear that short-term rentals are housing crisis worse. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Continueing to ignore the desire of your constituents to eliminate short term rentals is irresponsible. Allow the counties to determine what is right for them.Thank you for your attention to this critical issue.

Sincerely,

Jade Noreno

SB-2919-HD-1

Submitted on: 4/1/2024 8:36:21 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ashley Galacgac	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lāhainā fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the pae 'āina, including Lāhainā, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Every place has unique opportunities and needs, so each county can best come up with their own solutions with their intimate understanding of what is going on in their communities.

In Lāhainā, where 25% of housing units are listed as short-term rentals, percentages soar to 41.8% to the south and 87% to the north, signaling a housing emergency on Maui. Granting counties clear authority to phase out vacation rental uses is crucial for helping residents find dignified housing, especially in the aftermath of recent wildfires.

This proposed legislation is a critical step in providing stability and security to those who have already endured significant challenges. I urge the legislature to pass SB2919 to offer much-needed relief and support to the Lāhainā community and beyond.

Mahalo for your attention and commitment to the well-being of our community.

Sincerely,
Ashley Ancheta Galacgac

SB-2919-HD-1

Submitted on: 4/1/2024 8:37:21 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kyrie Puaoi	Individual	Support	Written Testimony Only

Comments:

Aloha kakou,

I am writing in strong support of SB2919. Please do what is pono for the people of Lahaina and the people of Hawaii.

Mahalo, Kyrie

SB-2919-HD-1

Submitted on: 4/1/2024 8:41:45 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
carol lee kamekona	Individual	Support	Written Testimony Only

Comments:

I am in total support of putting counties in control. Home Rule should be first priority. Each County has its own issues and cannot be blanketed into a Single fix-all solution.

SB-2919-HD-1

Submitted on: 4/1/2024 8:41:55 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ravi Bugga	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely

Ravi Bugga

Lahaina

SB-2919-HD-1

Submitted on: 4/1/2024 8:42:51 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sonni Schwartzbach	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have a **clear** right to phase out short-term rentals over a reasonable amount of time. I urge you to pass this bill and put the well being of Hawai'i residents first.

As a Hawai'i resident I have experienced first hand the impediments to stable housing that short term rentals represent. While the hospitality sector is Hawai'i's most profitable industry, those that bolster the backbone of the tourist industry, Hawaii working class residents, are often unable to find housing and many must endure unstable housing, unreasonable commutes and other stressors in order to make ends meet. This in turn can lead to other physical and mental health crises.

Many communities across the state, including Lahaina in Maui, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices.

There is no Hawaii without Hawaiians. Prioritizing long term housing for Hawai'i residents and giving counties the power to phase out short term vacation rentals guarantees residents a much needed quality of life.

Thank you for your attention to this critical issue.

-Sonni Schwartzbach, Hilo HI 96720

SB-2919-HD-1

Submitted on: 4/1/2024 8:47:56 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ada E Eschen	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill, Ada Eschen

SB-2919-HD-1

Submitted on: 4/1/2024 8:48:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bob Graybosch	Individual	Support	Written Testimony Only

Comments:

Testimony

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Bob Graybosch

SB-2919-HD-1

Submitted on: 4/1/2024 8:50:09 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Margo Brower	Individual	Oppose	Written Testimony Only

Comments:

I am a resident of Oahu and my job depends on the short term rental industry. If this David vs Goliath scenario of SB2919 were to be approved and vacation rentals banned, I and many other local people would be unemployed. Anyone who needed furnished living quarters for less than 90 days would have no recourse except for expensive hotel rooms which are not living quarters and are beyond most people's means, especially for longer than a week or two. If vacation rentals were banned, you would be wiping out tax revenue by discouraging many visitors from coming here and decimating the local incomes that depend on this industry. Simply enforce the laws and zoning currently in existence in each County and you will solve any problems related to short term rentals.

SB-2919-HD-1

Submitted on: 4/1/2024 8:50:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roxanne Carvalho	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Roxanne Carvalho

SB-2919-HD-1

Submitted on: 4/1/2024 8:51:17 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alba Bermudez	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Alba Bermudez

SB-2919-HD-1

Submitted on: 4/1/2024 8:51:34 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kayo Malik	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Kayo Malik

March 31, 2024

Kevin L. Ross
[REDACTED]
[REDACTED]

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

My name is Kevin L. Ross and I would like to thank the committee for the opportunity to testify about this bill. I am a retired Registered Nurse and I own a condominium in the Papakea Resort. I am writing to OPPOSE SB2919 for the following reasons:

- Papakea is an ocean front property, completed in 1978, consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as vacation rental properties.
- Papakea owners, have been operating legal vacation rentals for nearly 50 years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- Papakea is not in a residential neighborhood and located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- The counties already have the authority to regulate illegal short-term rentals. Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting to enforce the laws and regulations we already have on the books".
- This bill does nothing to solve the problem of illegal short-term rentals.
- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years. Some employees started at entry level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.
- Many small businesses owned and operated by local residents from the Maui Community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and stand

operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (at the short-term rental rate), TAT, GET, and Maui Transient Accommodation Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks tour operations, State parks, National parks and locally owned shops and farmer's markets.
- As an owner at Papakea, I support local business and services including a local Real Estate Agent, local property management company, local bank, and local legal and financial services.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee to vote no on this bill

Respectfully yours,

Kevin L. Ross

SB-2919-HD-1

Submitted on: 4/1/2024 8:53:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Allen	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and Honorable Members of the Committee,

*As a member of the public deeply concerned about the welfare of our communities, I am in full **support** and writing to urge you to pass HB1902 HD1 SD1. It includes language proposed by the Attorney General that incorporates critical protections derived from the horrific experiences of the Lahaina community in the aftermath of the fires. These protections, including a summary possession moratorium, residential foreclosure moratorium, mortgage payment deferment, loan payment deferment, and credit reporting agency protections, are indispensable safeguards that were sorely missed and urgently needed during the disaster. HB1902, HD1, can help ensure that our communities are better equipped to weather future crises and emerge stronger and more resilient. Thank you for your attention to this matter.*

*Sincerely,
Jennifer Allen*

SB-2919-HD-1

Submitted on: 4/1/2024 8:55:33 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Louise Palmer	Individual	Support	Written Testimony Only

Comments:

[H](#)

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

LOUISE PALMER

SB-2919-HD-1

Submitted on: 4/1/2024 8:55:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth ray	Individual	Support	Remotely Via Zoom

Comments:

I support bill 1838 with amendment: Provided that transient vacation rental units may be amortized or phased out in an area of any zoning.

Gov josh green Hawaii now quotes:

If we significantly increased property taxes on str this would provide the incentives for the people to get out of that market and make it available to

To get homes back into local Hawaiian hands ...he wants to offer tax exemptions to str owners who sell their property to an owner local family or someone to turn home into long term rental for a local family

In the last few months since the fires STR have rebounded almost entirely

It is hard to find sympathy for these owners about their fear of not living in luxury

in comparison to the homeless fire survivors, or homeless families on Maui or even the 26 faces who committed suicide living in the hotels

Josh green says in his state of address speech:

Believe me when I saw this I'm going to put our people first and I will be forced to declare a moratorium on all str in west Maui until we find enough housing for the displaced families

STRs are artificially inflating the cost of housing and displacing residents.

Gov has pinned on his Instagram

Hawaii loses an average of 20 local residents per day

In 2023 we lost plus 4000

These numbers represent thousands of our ohana children grandchildren who have left Hawaii because cost of housing has spiraled out of reach.

75000/89000 are not legal according to our existing laws...Green has instructed attorney general to start cracking down on illegal units now

Hawaii's homeless rate is 43 per 10000 people, this is double the national rate

So to the owners of the STRs the Lahaina fires have only illuminated the FAULT of this housing crisis. We have had a housing crisis for years and no one has been able to put legislation in to stop or regulate you. You have heard the facts , you have heard the pleas from your governor of Hawaii and the pleas from the residents of Maui, the pleas from the families who represent the culture and aloha you fell in love with here, those who are called upon by God and blessed with these beautiful islands to steward. The tremendous amount of aloha, mana and wisdom that this culture is embedded with what can be seen in the tears and cries of our kapuna. It can be seen in the voices and hearts of our keiki and the Lahaina Strong community. This land is perpetuated in righteousness and the true warriors of Maui and this sacred land will not rest until truth be made public knowledge and we get housing and justice for our people.

NO HOUSING NO PEACE!!!

SB-2919-HD-1

Submitted on: 4/1/2024 8:57:05 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Adrienne Chow	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Adrienne Chow*

SB-2919-HD-1

Submitted on: 4/1/2024 8:57:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Miriam Keo	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my continued **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Ke Aloha nō,

Miriam-Ashley Keo

SB-2919-HD-1

Submitted on: 4/1/2024 8:58:37 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Timothy J Hahn	Individual	Oppose	Written Testimony Only

Comments:

TESTIMONY AGAINST SB2919:

Dear Government Officials, please read and consider our following testimony OPPOSING bill SB2919;

I am not sure what the real aim of this new regulatory proposal is, but I would like to let you know that if passed you will be hurting resident Hawaiian homeowners like us who live in our homes and depend on them for supplemental income. You will also be setting the stage for the exodus of many good citizens, and the influx of outside investors. There are many home owners in our situation, who, like us, are positive contributors to our community. We maintain friendly, helpful, and cooperative relationships with our neighbors. We contribute to community programs such as the Neighborhood Security Watch and adopt a street program, as well as attend the Neighborhood Board meetings. There are many people like us who live on fixed retirement incomes, and have (or had) retirement dreams of providing safe, clean lodging with a friendly local atmosphere for travelers to Hawaii. Perhaps most importantly, when you live in an area such as ours, in the midst of a tourist destination (Waikiki and border areas; not in the middle of single-family neighborhoods) life is difficult for families. The noise, the traffic, the commercial activities all around us are not conducive to a quite family life and sometimes we feel we do not belong here anymore. Maybe, this is what the hotel industry wants, along with some of our government officials, to chase us out and buy up our properties for their own commercial use. We have grown to love our area and all the activities and convenience it offers...we do not want to be pushed out. If only we are permitted to participate in the industry that surrounds us, maybe then we can feel welcome again. We would like the opportunity to compete against the very industry that is challenging our way of living. For the big operators this may be about making money and preserving their profits, but for us it is about our survival and preserving and our communities. It is also important for the city/state to be aware of the consequences of taking this opportunity away from families like ours. If we cannot supplement our incomes, and be a part of the tourism community that surrounds us, we will leave... probably selling our home. Most likely it will be purchased by a non-resident investor, someone who cares nothing about the community, only making money. There are already many homes like this in the area, where a "slum lord" has bought it and is packing as many individuals in it as possible, without concern for quality of tenant or the effect on the neighborhood. Many bring great harm to our communities by increasing crime, noise and disturbances, and some running their own illegitimate businesses to make ends meet. This is not hyperbole; we can provide actual records of reports we have made of these incidents happening in our neighborhood. Our home itself had

become one of those “problem” houses before we bought it. The decedents of the original owners of our home were no longer Hawaiian residents, and had let the home become a drug and party house. The number of police responses to our residents for disrupting the neighborhood were numerous and even included a police raid at some point. This is a matter of police record which you can verify. It took us over one year through the courts to have the last bad tenant evicted from our home so we could finally live in peace. We have worked hard to repair the damage to both the neighborhood and the house that the previous unsupervised long-term tenants had caused. We have worked hard to integrate ourselves into the surrounding community, enjoying what it has to offer as well as contributing anywhere we can to make it better. More than once we have had our neighbors express their gratefulness for what we have done in our neighborhood, as well as entertain us with horror stories of how it used to be at our house. There are issues currently ongoing in other homes owned by long-distance, long-term landlords, one of which had over 27 police responses in a one-year period. I personally assisted in the final eviction of these bad neighbors. Details of the address and legal actions taken can be provided at your request. Because of this, and our own eviction of a tenant, compounded with vast experiences of other home owners, we have come to realize that long-term rental is a much riskier option than shorter term, especially for a family living on the property. We have gone through the processes of obtaining our GE and TAT licenses, and prefer to rent from 1-6 months maximum. This has been ideal for us in many ways, including giving us the option to leave space open for friends and family, and allowing us the freedom to travel without leaving a tenant we hardly know in our home.

I am sure that you understand that the average Hawaiian resident needs some type of supplemental income to make it work here. Renting out a portion of our homes while we reside there is the least invasive in terms of disrupting neighborhoods... if that is what you are worried about. Other activities are far more disruptive and I do not see the city/state blinking an eye at them, or even responding when we make a complaint. For example, there are several small businesses being run in the residences of our neighborhood, one is a Turo operator with OVER 34 CARS! Another is a construction worker who does much of the work at his house with loud machinery. There is even a dog watcher with multiple dogs which bark all day. We do not complain about these businesses because if we did nothing will happen... because these activities are allowed! Why does the city/state pick on the short-term rental activities where we have supervised guests? Is it because of the reported “lack of affordable housing”? We are one of those affected by this issue and may find ourselves without a home if not allowed to supplement our income. In addition, we PROVIDE housing! We provide temp housing to transient workers, students, travelers, temporarily displaced locals.... etc. Do not get us wrong, we believe the home rental industry should absolutely be regulated, and taxed. But there are situations where shorter term rentals are more appropriate, as in our circumstance. Our home is situated in a tourist district and we are surrounded by commercial properties. Having supervised guests in our home in no way harms the surrounding neighborhood, but in fact brings charm, freshness, and a reason to keep our area clean and safe. Please go after the big industry players and the out of state owners, but leave the single owner Hawaii residents alone! You had it right in your first rendition of regulations proposed in 2018-2021. I would like to suggest you go back to that, set some ground rules for us all to play by, but do not punish your own residents for the faults of the greedy big operators.

Mahalo

SB-2919-HD-1

Submitted on: 4/1/2024 9:02:19 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Scott Davis	Individual	Oppose	Written Testimony Only

Comments:

This bill will cause my family to go bankrupt and loose our house. It would also cause a even worse shortage of nurses to our state. We rent to nurses and remote workers that come to help out our state. This bill would eliminate them being able to stay with us. We would also not be able to house the Kapuna that come over from outer islands for surgery recovery and cant afford a hotel room for there extended recovery time.

We need this type of housing for the health of our community.

Please see past the hotel money lobby and let our residents prosper instead of big business taking the money out of state.

SB-2919-HD-1

Submitted on: 4/1/2024 9:02:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Valerie Anne Jones	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose to this legislation.

SB-2919-HD-1

Submitted on: 4/1/2024 9:02:52 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shay Chan Hodges	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.*

Sincerely,

Shay Chan Hodges

Maui, Hawaii

SB-2919-HD-1

Submitted on: 4/1/2024 9:04:07 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jamie Advincula	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,
Jamie Advincula

SB-2919-HD-1

Submitted on: 4/1/2024 9:05:35 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brooklyn Ouk	Individual	Oppose	Written Testimony Only

Comments:

If Bill SB2919 pass it will hurt me as a home owner, my family, my workers and Hawaii economy badly. And we have to move out to mainland to find a cheaper place to survive.

SB-2919-HD-1

Submitted on: 4/1/2024 9:07:36 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hela Oliger	Individual	Oppose	Written Testimony Only

Comments:

I am writing to express my strong opposition to **Senate Bill 2919**, which pertains to short-term vacation rentals (STVRs) in Hawaii. While I appreciate the intent behind this bill, I believe it fails to address the root causes of our housing crisis and may have unintended consequences for both residents and the local economy.

1. Misguided Focus on STVRs:

- SB2919 claims that only 5% of available residential housing is operated by STVRs, implying that 95% of housing is available for long-term use. However, this oversimplification ignores the complexities of our housing market.
- It is essential to recognize that the housing crisis cannot be solved by targeting this small percentage of properties. The demand for housing far exceeds this supply, and we must consider a comprehensive approach.

2. Tourism Industry and Economic Impact:

- According to the **September 2023 Research & Economic Analysis Division Report**, a staggering **80 cents of every dollar** in Hawaii is directly or indirectly generated by the tourism industry. Our economy relies heavily on visitors, and any legislation affecting this sector requires careful consideration.
- While I understand the need to regulate STVRs, we must strike a balance that supports both residents and our economy.

3. Legal Challenges and Practical Implications:

- The bill acknowledges that courts have already overturned county ordinances aimed at phasing out short-term vacation rentals. This highlights the very illegality of SB2919.
- Passing this bill would likely lead to additional taxpayer-funded lawsuits, further burdening our state and county resources.

4. Personal Story:

- As local residents working in healthcare, my family and I rely on the availability of rental properties. Our home includes a rental unit that allows us to house individuals who face displacement or are coming to work locally.
- Over the years, we have provided temporary housing for military personnel awaiting long-term housing plans, contractors working with the military, and residents undergoing home renovations.
- Additionally, we've hosted grandparents visiting their children and grandchildren, who cannot afford expensive hotels in Waikiki.

- Mid and short-term rentals enable me to work closer to home, maintain a livable wage, and invest in necessary repairs for our 60+ year-old home.

In conclusion, I urge you to reconsider the provisions of SB2919. Let us explore alternative solutions that address the housing crisis while preserving the vitality of our tourism industry. Thank you for your attention to this critical matter.

SB-2919-HD-1

Submitted on: 4/1/2024 9:08:11 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gary Smith	Individual	Oppose	Written Testimony Only

Comments:

- This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

SB-2919-HD-1

Submitted on: 4/1/2024 9:12:12 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Riley Bond	Individual	Support	Remotely Via Zoom

Comments:

Testimony in Support of S.B. NO. 2919

As a Lahaina renter who has witnessed the displacement of local residents to accommodate transient vacationers, I wholeheartedly support S.B. NO. 2919. This bill grants counties the authority to prioritize the needs of their communities over profit-driven interests.

The recent court ruling highlighted the importance of upholding home rule authority, allowing counties to regulate zoning and guide development in line with their unique local contexts. S.B. NO. 2919 empowers counties to regulate transient accommodations, ensuring that residential and agricultural areas are preserved for permanent residents and sustainable land use. It's time to prioritize the well-being of our residents over short-term gains.

I urge the Legislature to pass S.B. NO. 2919 and support the long-term sustainability of our communities.

Thank you for considering my testimony.

Riley Bond

SB-2919-HD-1

Submitted on: 4/1/2024 9:13:54 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keith G Sheu	Individual	Oppose	Written Testimony Only

Comments:

Would cause extreme financial hardship

SB-2919-HD-1

Submitted on: 4/1/2024 9:15:20 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Balinbin	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Eric Balinbin

SB-2919-HD-1

Submitted on: 4/1/2024 9:17:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Shumski	Individual	Support	Written Testimony Only

Comments:

My name is Ken Shumski. I am a working-class individual currently living Hilo, Hawaii. And I support SB2919's removal of short-term rentals.

I rent an apartment for \$1650/month in Hilo. I commute every week to the Kona resorts - I'm a Audio Visual technician. I currently drive 3.5 hours every shift to work (unpaid).

My family has been trying to relocate to Kona for the past 2 years in order to be closer to work. Living in Kona will open up more employment oppertunites for my family and I. Unfortantley we cannot find suitable long-term rentals in Kona.

I have seen multple dwellings (on the market - for sale) with 3 month rental leases only. Unfortantely this is VERY common. Examples like these offer ZERO protection for renters and places all the leverage in the hands of the homeowner (most of whom do not reside in Hawaii). I have had friends fallen victim to these kind of leases and find themselves houseless working a full-time job.

Additionally, cost of rent for these units are unacceptable. (ex. min. \$2,500 a month for a studio apartment) My wife and I's current salaries would barely cover living expenses. Wages (on Big Island) are not keeping up with these inflated rental prices, and homeowners are not allowing long term renters. This places extreme pressure on hard working families trying to keep Hawaii's man encomic-driver (tourism) aflot.

The only solution to this issue is to mandate the removal of short-term rentals. This will open up inventory and drive down prices. Please consider this bill on the behave of the working-class people of Hawai'i. You NEED us to keep the tourism operational. If actions will not be met to help support these people, I'm afraid Hawai'i will suffer ecomically and you will not have a workforce to cater towards the tourist.

SB-2919-HD-1

Submitted on: 4/1/2024 9:17:55 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Felili Mendoza	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

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The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue. May God continue guiding you all to lead your people forward and to better days! God bless you all!

Sincerely,

Felili Pousima Mendoza

SB-2919-HD-1

Submitted on: 4/1/2024 9:18:19 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello

Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

me ke aloha ‘āina,

Nanea Lo, Mō‘ili‘ili, O‘ahu - 96826

SB-2919-HD-1

Submitted on: 4/1/2024 9:21:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mitch Maxwell	Individual	Oppose	Written Testimony Only

Comments:

This bill is a poorly-conceived, short-sighted mess. It will create a huge void in the rental market, and the collateral damage will be devastating. There are many temporary workers, traveling teachers and nurses, displaced residents, and others who need the types of rentals that this bill will eliminate. Please don't pass this legislation!

SB-2919-HD-1

Submitted on: 4/1/2024 9:21:20 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Martin V Murphy Jr	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to this bill because I believe, as written, it is not in Hawaii's best interest. It also is overly restrictive of property owners' rights and is detrimental to the rental market.

SB-2919-HD-1

Submitted on: 4/1/2024 9:23:04 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chase Neal	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Chase Neal*

SB-2919-HD-1

Submitted on: 4/1/2024 9:24:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Geoffrey Tarr	Individual	Oppose	Written Testimony Only

Comments:

- This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

SB-2919-HD-1

Submitted on: 4/1/2024 9:24:49 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michaellyn Burke	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

My name is Michaellyn Burke, a Lahaina fire survivor and homeowner. I am writing to express my **STRONG SUPPORT** for SB2919. SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis, backed up by data from established organizations like UHERO and CNHA (as shared at the Native Hawaiian Convention). Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. We have passed the tipping point of being able to build our way out of this. In order to make any meaningful progress and save the working class/service industry residents needed to make this state run, we have to add housing units by both building new and converting to long-term rentals.

Contrary to the testifiers that state that this is unconstitutional, we would only be following in the footsteps of other cities across the US that have faced the same critical imbalance. And for the testifiers that are concerned that losing their ability to rent short-term will severely impact them, understand that the impacts they speak about are not the same as the impacts spoken about by the very people that are in need of long-term housing. If a landlord has to "lose" his investment property because he is no longer able to use it as a short-term rental, the human consequence for him is that he sells and has huge capital gains. The human consequence of a renter losing their home (and not being able to find another because there just isn't inventory) is he (and most likely his entire family) will be sleeping in their car or on the beach. This is happening as we speak. These two consequences are not the same, yet we have these conversations like they are. We need a bill like this to turn the tide. Thank you for your attention to this critical issue. The future of the working class/service industry tax payers depend on this bill.

Mahalo,

Michaellyn Burke

Lahaina, Maui

Dana and Betsy Christensen

[REDACTED]
[REDACTED]
February 16, 2024

To Whom it may concern, **opposition to HB1838 and SB2919.**

Dear Legislators,

We are writing to discuss our history as long-time visitors and property owners to our lovely state of Hawaii. This is in response to the ongoing discussions documented in HB1838 and SB2919 regarding short term rentals on the islands. Through our MANY visits to the islands and our 25+ year ownership of property on Maui, we have contributed significantly to the county tax base, employed many people, employed many contractors, made purchases of furniture, furnishings, boat excursions, snorkel and board rentals, visited restaurants, bought clothing, food, and supplies, attended golf tournaments, and many many more. The following paragraphs will provide a discussion of some of our continuing love affair with Maui and the Islands, which is threatened by HB1838 and SB2919.

We first visited Oahu in the fall of 1978 to participate in a Pacific Rim Chemical Society meeting. Our 8-month-old son accompanied us. We fell in love with Oahu and pledged to return. Since 1978 we have visited the islands almost every year for ~2-week visits (sometimes more.) We have visited and stayed on Hawaii, Maui, Lanai, Molokai, Oahu, and Kauai and have celebrated spring breaks, special birthdays and anniversaries, Holidays, weddings, and many other events. In the early years our family members joined us and now as empty nesters, we regularly invite other friends to join us for our annual sojourn.

In celebration of our parents 50th wedding anniversary in 1997, we scheduled ~3 weeks and visited 3 islands, with 10 family members in attendance. While on Oahu, my father, a WWII submarine veteran hosted us in a visit to Pearl Harbor and the WWII submarine museum. We toured the USS Bowfin SS-287 which is a museum boat at the Submarine Museum. At age 17, my father joined the navy in December 1941 and went to submarine school prior to being shipped to Pearl Harbor to board the USS Raton SS-270 for its maiden war patrol. During WWII, he returned to Pearl a number of times for refits and R&R. Boarded the Bowfin, my father immediately began telling his children and grandchildren about his life on the submarine and pointed out every nook and cranny on the submarine. Within moments, every visitor and the boat tour guide simply stared and listened to his accounts. He received applause at the end of the tour. We went from the Bowfin into the museum space. As we entered the front door, low-and-behold, we discovered the Battle Flag of the USS Raton in the entrance display case along with a detailed discussion of the war patrols, tonnage sunk, etc. It was prophetic that it was his battle flag on display. This evoked tears from all, but more importantly, this sealed the importance of the Hawaiian Islands in our family history. My father is alive today at 99-years and is a proud WWII submarine vet, feeling that he would not have survived the war without Hawaii, meaning that none of us would exist today.

After that revelation, my wife and I committed to find a more permanent place on the Islands for us to call home. Along with my parents, we settled on Maui and together purchased a condo on West Maui along Lower Honoapiilani Road. We obtained a mortgage from Hawaiian Mortgage, hired a property manager, contracted with a cleaning service, obtained a business license from the county, and began to

consider remodeling the condo. Over the next three summers, we first remodeled the front living space including refurbishing through Minds Eye furniture store there on West Maui. We then used the same local contractor to remodel the bathroom and upgrade the counter, sink, toilet, and shower space. Finally, we used a local contractor to remodel the bedroom including upgrade of beds, built-in cabinet, and wall mounted mirrors and local art work. 100% of our rental proceeds went into debt service on the mortgage and in hiring local companies to perform the upgrades. We purchased local art work from Lahaina Galleries, Kingwell Gallery, and Cost Gallery, all on Front Street, Lahaina. We make a point of visiting our friends Jim & Nancy Killett and with Jim & Krista Kingwell every year when we visit Maui, as well as Curtis Wilson Cost, now in Kula. We have become Ohana. We have since sold our first Maui condo and have exchanged it into a second condo where we have taken on the task of upgrading it just as the first experience. All of our condo proceeds have stayed on the island.

We have developed many other friendships with our Maui Ohana. My wife and I met a young ukulele player who was performing at the Hula Grill in Whaler's Village on or about the year 2000. He appeared to be in high school and along with two other friends, established a garage band which was sufficiently good to win a luncheon slot at the Hula Grill. At the end of his set, we stopped and talked with him, introducing ourselves. I left him my business card and asked him to send me his soon-to-be-cut first CD. Later that summer I received in the mail a newly minted CD of his recordings. A new Friendship was immediately formed. Since that chance encounter, we have corresponded with Derrick Sebastian regularly and make arrangements to see him every year when we return to Maui. We have followed his career playing his ukulele around the world and accompanying headline musicians. We have also watched his family grow. During the horrendous Lahaina Fire, we exchanged a number of emails and talked on the phone. We contributed to his Church's fund to providing assistance to those who needed fire relief.

Many other friends have been made from the long-time concierge, Penny, at Kimo's restaurant on Front Street, Lucy one of the long-term hostesses at The Gazebo restaurant at Napilli Point and many others. We are greeted by hosts in the art galleries along Front Street as well as hostesses in many shops and restaurants along all of West Maui. We were heartbroken to watch the destructive Lahaina Fire, knowing that all of the businesses along Front Street are gone and that the friends that we had made are out of work, some without a home, and having to look for new opportunities. We, of course immediately contributed to Maui Relief funds and the Maui Paradise Properties Relief Funds, knowing that our contributions would be used to provide necessary assistance including offering temporary housing for displaced residents. We have inquired about what more we can personally do when we next arrive on-island.

For the first time in many years, we have had to delay our 2024 visit to Maui, a result of family health challenges with our parents. Whenever we make travel plans, we pack our Aloha Shirts and flipflops, swim suits, and our binoculars to watch the whales and turtles. As our plane approaches Kahalui Airport, we always look to each other and say Aloha and Welcome Home, before we give each other a kiss. Maui is our home away from home and it has been for 45 years.

As a recap, we have made a family investment on Maui, one that has contributed significantly to the economy of Maui County. Our investment has also contributed to the economy of the Islands in the

form of transportation (rental cars, airplane tickets, helicopter rides, boat rides, whale watches, etc.) local contractors hired to manage and maintain our property, cleaning services, grounds maintenance not only at our residence but at every residence where we have rented, visiting restaurants, clothing stores, contractors for remodeling, furniture and appliance replacements, art purchases, renting sports equipment, going to Luau's (our guess is that we have attended every Luau venue on West Maui at least once), musical events, golf courses (my guess is that we have played on every golf course on Maui at least once), and more. The only way that we can afford to maintain our investment on Maui is through short term rental of our property when we are not able to travel ourselves. (When we rent our condo, it is our renters who are also making these investments in the local economy.) Therefore, this also means that the only way that we can contribute to the economy of Maui County and to the businesses on Maui is through regular short-term rental of our property when we are not visiting ourselves.

To restate what is stated above, Maui and Hawaii represent a deep Ohana relationship for us. During the past 45 years, we have visited at least once per year, on average for 2 weeks per visit. We have spent 2 years of our lives enjoying the beauty of the Hawaiian Islands, and have reinvested 100% of all of our rental income back into the economy. Today, Maui is our home-away-from-home.

Please consider the damage that the HB and SB could have to property owners such as ourselves and therefore the impact to the Maui County economy as well as the economy of all of the local businesses.

Regards,

Dana, Betsy, and Roy Christensen



SB-2919-HD-1

Submitted on: 4/1/2024 9:25:29 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keriann Osada	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because I am a property owner that rents month-to-month to many students, military, and low income workers to help pay my bills. This bill will phase-out short term rentals which will reduce my ability to support my renters and cause an unintended consequence for low income people who can't afford to stay in hotels nor commit to longer term leases.

SB-2919-HD-1

Submitted on: 4/1/2024 9:25:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Angelique Rogat	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa and Honorable Memeber of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play a major part in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Mahalo for your attention to this critical issue.

Sincerely,

Angelique Rogat

SB-2919-HD-1

Submitted on: 4/1/2024 9:28:52 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dawn Wood	Individual	Oppose	Written Testimony Only

Comments:

I oppose this measure

Papakea is set up as a resort. Papakea will lose many employees that work on site as well as our cleaning crew, and handyman.

We have a 435 sq ft studio unit on the 3rd floor that is set up more like a hotel room and is not designed for long term living.

Please consider this testimony

Thank you

Dawn

SB-2919-HD-1

Submitted on: 4/1/2024 9:31:38 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ED LUM	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Ed Lum. As a guest, I stayed in a short term rental because when I found out big corporate hotels take their profits off island instead of infusing their profits back in the local economy, and it became obvious how difficult local Hawaiian economy is for locals to live here.

I am writing in opposition of this bill because short-term rentals are important. A hotel room is not affordable nor livable to many that have families, need to prepare meals or need more space than one room. I have a family of 5 and wouldn't have brought my family here to vacay without short-term rentals. I have been coming to Hawaii every year for almost 40yrs. I also see how many locals will be displaced from their cleaning, handyman, property management, room inspection jobs.

This bill will hurt me, other residents and important visitors that rely on short-term rentals as temporary, furnished, affordable housing.

Let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 9:33:43 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Heidi Winslow	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill for the following reasons:

1. STR's provide good paying jobs. Our housekeeper supports her family of six cleaning STR's on Maui's west side. She lost her home in the fire. Now you want to take away her ability to support her family? Hotels pay housekeepers minimum wage. STR's employ thousands with good paying jobs.
2. STR's are Maui's highest property tax revenue and the largest contributor to the county's housing affordability program. Exponentially more than the hotels. Do you plan on collecting the loss of revenue from the residents of Maui? Where else will you make up the shortfall?
3. STR's are not suitable housing for locals. They were not built, approved or designed to be long term housing. They are expensive (our one bedroom costs us \$4,400/mo just to own). They lack parking, privacy, storage. They have small kitchens and don't allow pets or smoking. No storage on the lanai. Do you know anyone who would pay \$4400/mo to live this way? I sure don't. There are over 250 condos for sale in Lahaina right now. Less than 10% are in escrow. No one wants to live in condos full time! They want homes with yards, neighborhood communities. Build neighborhoods like Kahoma Village and stop trying to stuff families into hotel-like accommodations. They don't want them!
4. This bill is backed by the Hotel Lobbyists and reeks of corruption. This bill will destroy jobs, destroy livelihoods of families, force more families to move off the islands and divert all that money to off-island hotel corporations.

Vote NO!

SB-2919-HD-1

Submitted on: 4/1/2024 9:41:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aulani Dusenberry	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Aulani Dusenberry

SB-2919-HD-1

Submitted on: 4/1/2024 9:42:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Denise & William Michels	Individual	Oppose	Written Testimony Only

Comments:

William and Denise Michels, owners of B101 Papakea resort. Thank you for the opportunity to testify.

We **OPPOSE** SB2919 for the following reasons:

Papakea is an ocean-front property, completed in 1978 and consists of 364 individual condominiums. It was initially marketed and sold as vacation rental property. The majority of units are under 600 square feet and the property has limited parking, no outdoor storage, and minimal personal storage. Papakea has never been workforce housing so it is not an example of a property that converted from workforce housing to transient vacation rental use. It is located directly adjacent to a long stretch of hotel zoned properties and commercial properties.

Papakea currently employs approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming. These are on a continual basis, channeling well needed funds into local businesses. Papakea STRs support a number of small businesses in the Maui community including housekeepers, handymen, on-island agents, and contractors. All businesses that suffered greatly during covid when there were no tourism. We source all our supplies on island, using local businesses and contractors for all work. Without the use of short term rentals I would not be able to utilize regular maintenance schedules with local businesses. I would not have need of housekeepers, maintenance personnel, on island agent.

Papakea can only support the current personnel and operational maintenance levels with high maintenance dues which rely on short-term rental revenue. Without the rentals the maintenance dues would be staggering. Papakea's resort operations require extensive maintenance which makes the month maintenance dues very high, compared to properties designed for long term housing with lower maintenance dues. Unsubsidized long term rental rates do not come lose to covering the maintenance dues, special assessments, mortgage payments, property taxes and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

Papakea STRs support a number of small businesses in the Maui community including housekeepers, handymen, on-island agents, and contractors. We regularly support a wide variety

of local trade professionals including pest control, HVAC, plumbing, electrical and tree trimming. We use an on island agent (My Perfect Stays) which is providing employment for booking agents, housekeepers, handymen. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

Papakea guests support many small businesses on the island included restaurants, food trucks, tour operators, car rentals, state parks, the national park, and shops. Without their support of the small businesses on the island those businesses would die off. Making it even harder for employment on the islands.

Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community. They understand the importance of spending their money on island to support the local businesses.

Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

For the reasons stated herein we OPPOSE SB 2919 and urge the committee to defer it.

Respectfully submitted,

William & Denise Michels

██████████

Papakea Resort

SB-2919-HD-1

Submitted on: 4/1/2024 9:42:52 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Margaret Blaser	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to bill SB2919 SD2 HD1 for the following reasons:

It is not in the best interest of citizens / residents / homeowners of Hawaii because there would be no way to secure a temporary residence in the event of:

- A natural or other disaster, fire, flood, etc.
- Health emergency which requires medical care not available on island or area resident lives.
- Workers who are brought in to do construction, health care, tech work, surveyors, service personnel, disaster response personnel/workers, etc.
- Assisting a sick or elderly family member.
- Visiting family (including children, parents, grandparents, grandchildren) where the family does not have room in their residence or they cannot afford expensive hotels.
- Homeowner's who have a temporary situation where they will be selling their home, having family come to live with them, moving off island for a temporary job, etc.
- Educational seminars and training courses throughout the islands.

This is gross overreach of basic human right of life, liberty, and the pursuit of happiness, to place these kinds of limits on a person's ability to take care of their basic needs to work, feed themselves, get healthcare, secure a safe environment, educate themselves, and nourish themselves through contact with loved ones.

In addition, *to impose excessive tax* on a person's home who is already struggling to make a living to secure their basic needs is *counter productive to the goal of creating affordable residences for Hawaiians*. Additionally, it places undue financial burden and pressure (extortion) to create a long term rental, which in turn would create the denial of the basic human rights listed above. Hawaiians should be given *incentives* to create long term rentals, *like tax breaks*, not penalties for trying to secure what they need for health and welfare by taxing them excessively (the excessive taxes we already have are part of the reason it's not affordable to live here).

SB-2919-HD-1

Submitted on: 4/1/2024 9:48:33 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anyssa Keliikipi	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

SB-2919-HD-1

Submitted on: 4/1/2024 9:52:54 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leo Nahe Smith	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Na,

Leo Nahe

SB-2919-HD-1

Submitted on: 4/1/2024 9:53:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Delilah Barboza	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets.

It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,
Delilah Barboza

Support of Bill SB2919 SD2 HD1

To Chair Yamashita, Vice Chair Kitagawa, and the members of the House Committee of Finance

I am writing as a concerned member of the Maui community to express my **strong support for SB2919 SD2 HD1**, which grants counties the authority to phase out vacation rental units over a reasonable period.

As we have seen within our community in Lahaina the urgent need for housing is our top priority. TVR have taken over our neighborhoods, these were units that were originally intended for our working-class community. With the numbers shared below there was nowhere to live even before the fire.

In Lahaina, where 25% of housing units are listed as short-term rentals, and percentages soar to 41.8% to the south and 87% to the north, we are facing a housing emergency on Maui. Providing clear authority to counties for phasing out vacation rental uses is crucial for helping residents find dignified housing, especially in the aftermath of recent wildfires.

After the wildfires most places left to rent are north of Lahaina, and with 87% being short-term rentals that is unacceptable. I have spoken with many tourists throughout the time of our occupation of Ka'anapali beach with Lahaina Strong. TVR's have been phased out of cities and tourist towns throughout the world. The communities that benefit the most are vacation destinations where locals have been priced out of living. Not only will this help with our immediate housing crisis, but years after being phased out rent goes down, and families can return to where they are from.

I support the need to give counties the authority to phase out these TVR's. We are in a crisis on Maui currently for housing, sadly we were pre fire. However, now the need for these units is urgent. This bill also ensures that current budgets remain unaffected while granting counties ample time to adjust accordingly.

This proposed legislation is a critical step in providing stability and security to those who have already endured significant challenges. I urge the legislature to **support SB2919 SD2 HD1** to offer much-needed relief and support to the Lahaina community and beyond.

Mahalo for your attention and commitment to the well-being of our community.

Sincerely,

Katie Austin

SB-2919-HD-1

Submitted on: 4/1/2024 9:57:48 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sierra Dew	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Sierra Dew

SB-2919-HD-1

Submitted on: 4/1/2024 10:03:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Makani Barboza	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets.

It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Makani Barboza

SB-2919-HD-1

Submitted on: 4/1/2024 10:05:12 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Keesler	Individual	Oppose	Written Testimony Only

Comments:

Aloha to the committee for the opportunity to testify about this bill

Our names are Mike and Terry Keesler

We OPPOSE SB2919 for the following reasons

My wife and I are full time residents of Lahaina and own a 2nd residents in Papakea Resort.

Papakea is an ocean front resort, completed in 1978 with 368 individual condominiums. Papakea has been a short term rental for almonst 50 years.

We purchased this property for the sole reason to do short term rental, and had to get a loan at a higher rate because it is considered by the bank as a Condo-Tel.

The Condo requires alot of maintenance staff to keep it in pristine condition and a on island office staff to help guests check-in and out as they arrive and leave. If we lose our short term rental alot of the staff will lose their jobs.

Papkea require extensive maintenance which also makes the monthly AOAO dues very expensive compared to proterties that were designed for long term rentals.

The Guest that come to Papakea put alot of money into our economy and the local businesses which employ many of our locals. Also, ourselves we use local cleaners and maintenance personel to keep our condo in great shape.

Governor Green has stated that new legislation is not needed to take initial action.

We are full time local residents and helped many displaced people after the fire by sheltering, and comforting them in our home and in our condo. This was done at no charge to anyone. This came directly out of our pocket at a great financial burden to myself and my wife. We would do again if needed.

Please go after illegal short-term rentals and leave alone the proterties that were designed as legal short-term rentals.

This bill does nothing to solve the problem of illegal short-term rentals.

Mahalo

Mike and Terry Keesler

SB-2919-HD-1

Submitted on: 4/1/2024 10:05:21 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia L. Gardner	Individual	Support	Written Testimony Only

Comments:

I support Housing for our local Residents, making sure that everyone that needs housing has a place to live, rather than providing short term rentals for Tourists! It is important to take care of our people first!

SB-2919-HD-1

Submitted on: 4/1/2024 10:10:50 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karyn Kanekoa	Individual	Support	Written Testimony Only

Comments:

Kāko‘o au i SB2919

SB-2919-HD-1

Submitted on: 4/1/2024 10:11:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith Jurek	Individual	Oppose	Written Testimony Only

Comments:

As the owner of a short term rental unit for 21 years, it has offered inexpensive housing for vacationers, travelling nurses and other visitors/residents.

With visitor numbers down, Hawaii needs to preserve the short term housing option as a mainstay for visiting families needing hotel-like apartment-like accommodations with kitchens and often free parking at a discounted rate. Doing away with this option will price numerous individual out of being able to afford stays in Hawaii.

I purchased my condotel unit at the Waikiki Banyan 21 years ago with the knowledge that it was a short term rental, allowing me to stay each year for a number of weeks during the year as well as affordable housing for Waikiki visitors.

I urge the state of Hawaii to preserve this designation for the future benefit of all residents and visitors.

Judith Jurek

SB-2919-HD-1

Submitted on: 4/1/2024 10:14:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julie Warech	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. Our government promised to let Lahaina lead in the aftermath of the fires, and passing this today is making good on that promise.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. It is unacceptable how many folks are yet to be in long term housing in the aftermath of the fires which is directly due to 87% of residences left in West Maui being short term rentals.

Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. We need legislation like this to address the growing housing crisis with locals moving away daily and transplants many of which are remote workers and therefore do not even work locally taking their place.

Thank you for your attention to this critical issue.

Sincerely,

Julie Warech

SB-2919-HD-1

Submitted on: 4/1/2024 10:16:29 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Faith Blalock	Individual	Support	Written Testimony Only

Comments:

Faith Lehuanani Blalock

Testimony in STRONG SUPPORT to Clarify Counties Right to Phase Out Short-Term Rentals

04/01/2024

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

My name is Faith Lehuanani Blalock. I am a Native Hawaiian, born and raised on Kaua‘i, currently living in Hanalei. With a background in environmental engineering, I work as a Biocultural Resource Manager at Waipā Foundation, a North Shore organization dedicated to restoring the vibrant natural systems of Waipā Valley, and to inspiring healthy, thriving communities connected to their resources. I am also a member of the Hanalei Hawaiian Civic Club.

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. Short-term rentals have always oppressed local and Hawaiian families and heavily impact the lack of housing options, let alone affordable housing options, for Lahaina fire victims and our whole pae ‘āina community. Short-term rentals do not adequately serve the community and culture of Hawai‘i and should be phased out immediately on the west side of Maui. This will greatly improve affordability and accessibility to housing options for Lahaina fire victims which are left with virtually no options currently.

The amount of short term rentals and price for housing grows along with the amount of families needing to move out of Hawai‘i. To protect the future generations of Hawai‘i and ensure they will continue to stay in their home it is important you support SB2919, SD2 HD1, act now because we are getting to the point will it will be too late to make small changes to improve the housing crisis.

Mahalo for your time and consideration,

Faith Lehuanani Blalock



SB-2919-HD-1

Submitted on: 4/1/2024 10:22:48 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laura Roberts	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

Please consider that it is not the responsibility of the homeowner or STVR owner to provide affordable housing for the rest of the residents. This is how locals can make a living and keep their land. Punish the out of state owners who profit off our economy and do not keep the money in state! Eliminate their STVRs.

Also, if you want more long term rentals, please incentivize landlords. Most people are too scared or have had too many bad experiences to ever want to rent long term. There needs to be a system in place to protect landlords. How about a rating system like used on Airbnb platform?

Here are a few more things:

- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Mid and Short-term Rentals allow me and my family to stay/work/be near our family, our neighbors, our local schools and community stores and churches.
- Events like the Eruption, Red Hill Crisis, and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?
- Where will you stay when you go to a neighbor island to work, visit family or seek healthcare? A \$700/night hotel?
- Mid and Short-term Rentals are how I am able to work closer to my home and make a livable wage.

SB-2919-HD-1

Submitted on: 4/1/2024 10:23:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julia Feldstein	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa and Honorable Members of the Finance Committee,

*I am writing to express my strong **support of SB 2919 SD2 HD1**. As a community, we have faced displacement, high rents, forced relocations under emergency protections and more. As short term rentals in Maui County have come to represent 15% of our housing supply, we cannot find affordable housing nor landlords who prioritize community over profits.*

*This legislation would provide a path to recovery for our local housing market and a chance at stabilizing our community which has lost so much. **Please pass SB 2919 SD2 HD1.***

Sincerely,
Julia Feldstein

WRITTEN TESTIMONY

OPPOSING SB2919

Gentlemen:

This pending Bill poses many issues, some with devastating, long-term effects on the economy of Hawaii and the owners of the affected properties. Currently, Mid- and Short-Term Rentals provide affordable housing for displaced residents, newly housed residents, temporary military and students, young tourists on a restricted budget, traveling nurses, emergency contractors, families with pets (because most hotels do not allow them at all), our family and friends and so many more.

Passing this bill will also result in many condos standing empty and possibly abandoned. There would also not be any income for the Island as a result. Owners would not be able to pay any fees, insurance, taxes etc. that the Government now receives and enjoys due to the lack of these Mid- to Short-Term Rentals.

Where would residents find temporary, furnished housing if our industry is further decimated? For example, the events such as Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where would they go in such emergencies?

Also, inter-island residents like to stay in Mid- to Short-Term Rentals. Forcing them into hotels is not the answer and will probably keep them away from coming to the Island. People like options, which would be gone. Tourist income would be lost again.

Finally, the thousands of jobs that would be lost, placing a financial burden on the Island. These people would no longer be employed and have an income that they can rely on. It would then fall on the Government to support them since their livelihoods are gone forever – the same Government losing money from us.

New York State temporarily had banned Short-Term and AirBnB Rentals only to find that it created a disastrous shortage of much needed housing. This should prove as an example that this ban would only create problems and not resolve any possible intended solutions.

We hope that you will reconsider and **not pass** SB2919 banning Mid- to Short-Term Rentals.

Thank you for your time and consideration.

SB-2919-HD-1

Submitted on: 4/1/2024 10:29:41 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dianne Deauna	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita and Vice Chair Kitagawa of the Finance Committee,

Thank you for the opportunity to testify in strong support for SB 2919, which allows counties to enact a zoning ordinance to amortize or phase out nonconforming single-family transient vacation rental units over a reasonable period of time, as recommended by the House of Representatives shelter working group. This measure directly addresses the housing needs of local residents by empowering counties to phase out vacation rental uses of their local housing supply. This bill provides a mechanism to open up tens of thousands of existing residential units for long-term residential use.

To quote my Ilokano kababayans (countrymen): "Awan ti balay, awan ti trabahador. Awan ti balay, awan dagiti Filipino ken Hawaiian", which translates to:

NO HOUSING, NO WORKERS. NO HOUSING, NO FILIPINOS OR HAWAIIANS.

SB-2919-HD-1

Submitted on: 4/1/2024 10:30:39 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bonnie Marsh	Individual	Support	Written Testimony Only

Comments:

Please support this very important bill to open up housing for our Lahaina Ohana.

mahalo,

Dr. Bonnie Marsh

SB-2919-HD-1

Submitted on: 4/1/2024 10:42:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
JOHN M MCGEOUGH	Individual	Oppose	Written Testimony Only

Comments:

This bill will severely damage the tourism industry which is the life blood of Hawaii ... I can't understand why anyone thinks this is a good idea.

SB-2919-HD-1

Submitted on: 4/1/2024 10:43:03 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Gourley	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely
Thomas Gourley*

SB-2919-HD-1

Submitted on: 4/1/2024 10:59:44 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Norm Nichols	Individual	Oppose	Written Testimony Only

Comments:

stongly oppose SB2919 on numerous levels the long term effects of this bill and similar legislation by state and county need to be dropped. This is not a hard problem to solve the solutions are obvious but if the state wants to persists think about restricting stopping everyone from coming to Hawaii for any reason. If the state wishes to allow any travelers into Hawaii they must have a US passport, a visa issued by the state and a roundtrip ticket to leave when the visa expires. It works for Tahiti and other pacific island countries. It's just that simple

SB-2919-HD-1

Submitted on: 4/1/2024 11:12:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan M. Whalen	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 2919 SD2 HD1 because it will be detrimental to my family's ability to maintain our Hawaiian home which is necessary for my husband's health. After visiting Oahu annually for the last 10 years, we purchased and renovated a leasehold in the Waikiki Banyan, 201 Ohua Avenue, Honolulu, with the intention of using it as our winter home and eventually longer for the remainder of the 12.5 years left on the leasehold. With our 2023 purchase, we were able to infuse an initial \$90,000 directly into the local economy with the renovation costs by employing local contractors to do the renovations and purchasing supplies and items for the unit. Ongoing, we are supporting numerous local employees (cleaners, management company employees, maintenance, and skilled laborers) as well as numerous local businesses (ie., hardware stores, local stores, and restaurants) by being a short-term rental owner. We could only afford to do so by continuing to have LEGAL short-term rentals. Previously our visits only benefited the large hotel chains and were limited to a couple of weeks per year due to the high costs of hotels. Being an owner and becoming a member of the Hawaiian 'Ohana is so important to our family, eliminating legal short-term rentals will be financially detrimental to us, **but more importantly, it will drastically and negatively impact so many local lives who depend on the already limited available short-term units (approximately only 2000 units) for their livelihoods.** Finally, when we are not using it, we are pleased to share our beautiful home with those who either visit Oahu as needed travel nurses, military families, educators, and finally vacationers; thereby spreading the magic of Hawai'i and its aloha spirit to our guests and continuing to be a positive impact to its economy. PLEASE VOTE "NO" on SB2919 SD2 HD1. Thank you.

SB-2919-HD-1

Submitted on: 4/1/2024 11:16:45 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noelle Bali	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Noelle Bali

SB-2919-HD-1

Submitted on: 4/1/2024 11:24:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cynthia Rubinstein	Individual	Oppose	Written Testimony Only

Comments:

We pour our hearts out because we care about this State of Hawaii, but it really feels like you come to the table with predecided votes. Cutting out 30 day minimum rentals is crazy and I'm not going to list all the reasons Why because you already Know Why. All of us find ourselves in positions from time to time of needing those. Is this a push to get all of us to move to Las Vegas? The New Hawaiian State? Not interested honestly. And poor Lahaina, the scapegoat in all these bills. :(You have used them to promote what you can't enforce. The real problem will be heard in the higher court as this is, Once Again, an issue of Vested Property Rights. You may want to check with your attorneys, but IF you pass this and IF the counties decide to phase out 30 day rentals, you will be required to allow anyone who bought their property Prior to your new law, to be offered Non Conforming Use Certificates NUC's, because when they bought their properties, the law allowed for 30 day minimum rentals. VESTED PROPERTY RIGHTS It's a Constitutional Issue, Go Check Um Now Go.....

SB-2919-HD-1

Submitted on: 4/1/2024 11:24:18 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pam Taylor	Individual	Oppose	Written Testimony Only

Comments:

Greetings

My husband and I are owners of one unit in Kuilima East. We have appreciated your efforts in our behalf over the past few years. However, recently, it seems we have become the scapegoat for many of the problems in the City and County of Honolulu. Even as we have done everything we have been asked to do with additional taxes and fees and registrations, we are being threatened. I can assure you that as you threaten to crack down on the STR's that you are aware of because we have been required to register, you will create more illegal rentals in our neighborhoods.

I can provide owner's names and addresses of illegal Short Term Rentals in Hauu'la, Kahuku, and Sunset that have chosen not to register. They have determined that they will be able continue to rent because they can remain "incognito", as the DPP has failed to enforce current laws. They know that they can continue to short term rent in our neighborhoods and can keep far more of their rental income because they do not have to pay taxes and registration fees. They also do not have any responsibility to conform to the safety and parking restrictions as those of us that have registered are required to do.

Our son and his family have lived in Kahuku for the past 15 years. We live in Utah and have not wanted to miss watching our grandkids grow up. We are retired, and not able to pay the exorbitant hotel prices. We come several times during the year for milestones in our family. When we are not here, our rents from our short-term guests provide us with the income we need to return to the island. We have had the privilege of having friends be our managers. Our current manager, Beau, is local. His son is currently battling cancer. This requires a great expense to get him to the mainland for his treatments. Beau counts on the extra income from his short-term rental management job to provide this for his family. Our cleaners are also local and also count on the extra income.

Please, with all of your heart, please consider allowing those of us who have done all we can to protect our neighborhoods by conforming to the legal STR requirements. Please, do not punish us in the name of keeping out illegal short-term rentals in neighborhoods. We provide a great deal of money to the city and county that could be used not only to protect our neighborhoods, but to also provide a livelihood, skills and training to the people of Ohau.

April 1, 2024

The Honorable Luke A. Evslin, Chair
and Committee Members Committee on Housing

The Honorable Sean Quinlan, Chair
and Committee Members Committee on Tourism

Dear Chairs, Evslin and Quinlan, and Committee Members,

RE: SB2919 Relating to Property

Thank you for the opportunity to vote on SB 2919, related to property.

I am writing this letter to let you know that I **OPPOSE** bill no. **SB2919**. I understand that people need long-term housing, especially after the terrible fires, but converting all short-term rentals to long-term will affect all the people who rely on the income they receive from tourist. My family has owned a condo at the Papakea Resort for many years and there are a lot of people who work there full-time and on contract and they would lose their jobs if this resort had only long-term rentals.

There must be a better way to house people and to continue to have short-term renting on Maui and all of Hawaii. This situation needs to be carefully thought through or else there will be a lot more people that will lose their jobs and the housing situation will get worse.

Thank you,

Sam Feldman

SB-2919-HD-1

Submitted on: 4/1/2024 11:25:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Corky Joan Gardner	Individual	Support	Written Testimony Only

Comments:

Please phase out short term rentals. I've lived in 19 years in Lahaina, and have seen rent increase with apartments, but there has always been cool families who didn't charge as much as they possibly could.

The short term rental agents don't see friends, they see dollar signs - turning housing into an investment for out of state corporations us nothing short of selling out the community. Let's keep Lahaina's housing in the hands of the families that care.

SB-2919-HD-1

Submitted on: 4/1/2024 11:25:11 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support

SB-2919-HD-1

Submitted on: 4/1/2024 11:28:00 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glenn Choy	Individual	Support	Written Testimony Only

Comments:

My name is Glenn Choy, from Honolulu i strongly support this bill. Thank you.

Aloha,

I am reaching out to urgently oppose SB2919 which poses a significant threat to the short-term rental industry. As a short-term rental owner in Maui, I am deeply concerned about the potential impact of this bill on our livelihoods and the broader community.

SB2919 aims to authorize counties to phase out short-term rentals in any zoning, potentially leading to drastic changes in the law that would impede our ability to operate legally and responsibly, and phase out 13744 legally permitted short-term rentals on Maui.

If this bill is enacted, it could have severe ramifications.

Economic Contribution: Maui's STRs provide 40% of the real property tax revenue for the county, as well as being the top funding source for affordable housing for Maui. This STR property tax revenue represents 18% of the county's \$1.7 billion dollar budget. The question arises: If STRs are curtailed, where will the equivalent revenue come from

Employment Impact: Statewide, over 40,000 jobs are supported by the short-term rental industry. Restricting this sector could have far-reaching consequences on employment.

Community Outreach: as part of the community outreach, we had the option and was able to offer our unit to friends and family on the Island during the Maui 2023 fire.

SB-2919-HD-1

Submitted on: 4/1/2024 11:32:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jess Longordo	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Jess Longordo

SB-2919-HD-1

Submitted on: 4/1/2024 11:33:31 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elijah Kala McShane	Individual	Support	In Person

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

elijah kalā mcshane

SB-2919-HD-1

Submitted on: 4/1/2024 11:34:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hokulani Delatori	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Mahalo,

Hokulani Delatori

SB-2919-HD-1

Submitted on: 4/1/2024 11:34:17 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
tom wood	Individual	Oppose	Written Testimony Only

Comments:

the loss of jobs and tax revenue needs to be considered

SB-2919-HD-1

Submitted on: 4/1/2024 11:35:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shalom Costa	Individual	Support	Written Testimony Only

Comments:

Please support this vital bill for Maui 🙏❤️

SB-2919-HD-1

Submitted on: 4/1/2024 11:37:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Angie Lum	Individual	Oppose	Written Testimony Only

Comments:

Chair and members of the Committee,

I am an part-time resident and owner of several STR in the Waikiki Hotel Zone, and am duly registered and pay all TAT, OTAT, GET and property tax on my units. We also employ local personnell to service and clean our units.

If this SB2919 passes and STR rentals will not only not be a viable source of income for the City and County of Honolulu, the State of HI and the various locals who depends on servicing our STRs and will affect my retirement well being. This will not help increase long term rentals, as people without their jobs supported by STR will no longer have a source of income to afford any rentals available.

The City and States should welcome the additional income and fees that are levied against STR, and in the next few months, there will be a bigger increase in taxes and fees. All this additional income will be greatly impacted with the decimation of STR.

Please consider the negative impact on our economy if you do not oppose SB2919.

Sincerely,

Angie Lum

SB-2919-HD-1

Submitted on: 4/1/2024 11:37:15 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherry Bianlou	Individual	Oppose	Written Testimony Only

Comments:

Dear Legislators,

SB2919, if passed, is not good for Hawaii. Why are you allowing Hotels to control this state? You are allowing a bunch of greedy corporate executives to dictate who can visit Hawaii. With the limitation that SB 2919 imposes, families can not travel to Hawaii, and most families can not afford to stay in hotels. An example is my family, who will be traveling from the mainland. My house is not large enough to accommodate 27 people, yes, 27 people. I have a large family, and if SB 2919 passes, we won't be able to have a family reunion in Hawaii. In the past, we were counting on short-term rental accommodation.

This is unheard of, and the month-to-month rent can not be offered. This will create many legal issues. Why? People will sign a lease for one year and then break it. Imagine what SB 2919 will do to court systems.

Please do not approve it.

Thank you,

Sherry Bianlou

SB-2919-HD-1

Submitted on: 4/1/2024 11:39:35 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Coring Serna	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

mahalo,

coring Serna

SB-2919-HD-1

Submitted on: 4/1/2024 11:41:10 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sarah Lee	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Mahalo,

Sarah Lee

SB-2919-HD-1

Submitted on: 4/1/2024 11:43:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ryan Delatori	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

mahalo,

Ryan Delatori

SB-2919-HD-1

Submitted on: 4/1/2024 11:44:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Debi Irby	Individual	Support	Written Testimony Only

Comments:

FROM: Debi Irby

TO: Hawaii State Legislature

RE: SB 2919



Aloha, I want to express that I believe this bill is going in the right direction to protect residents of Hawaii. In particular, those who were affected by the horrible fire at no fault of their own.

I own my home and do not rent. I was able to purchase many years ago when prices were normal and the average Maui citizen could buy land or a home. Since the internet, I have seen the influx of people come to our islands. Especially those with money, hence increasing the cost. In addition, investors are buying homes that could be used for families and setting up short term lodging. As a result, many families are having to move to the mainland.

I have an ohana on my property I initially rented for long term. Now I use it for family and friends. I also allowed someone affected by the fire to temporarily stay for free. It would be a crime for me to rent it out at what I feel is an unreasonable amount.

Several years ago, a neighbor (we are all ag land) was conducting an illegal bed and breakfast. It was intrusive for all of us in Huelo.

Please, no more short-term rentals in residential areas, or agriculture regions. Let's take care of our own. I am submitting this late as I just received the note. God Bless those affected by the fire. I hope we can get back to more agriculture etc. and stop depending on tourists.

Thank you for your time:

Debi Irby

SB-2919-HD-1

Submitted on: 4/1/2024 11:46:30 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Samantha Hill	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

mahalo,

Samantha Hill

SB-2919-HD-1

Submitted on: 4/1/2024 11:46:41 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
susan walczak-pol	Individual	Support	Written Testimony Only

Comments:

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

SB-2919-HD-1

Submitted on: 4/1/2024 11:48:55 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diana Tevaga	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Diana Tevaga*

SB-2919-HD-1

Submitted on: 4/1/2024 11:50:36 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alex Bendetov	Individual	Oppose	Written Testimony Only

Comments:

Our family strongly opposes the bill, as it is unconstitutional to take away peoples right to operate a business which was providing for their livelihood, will not solve housing problem, and will be devastating for the economy which largely relies on the taxes collected.

We are a family which owns a single unit on Maui, which we hope to eventually call our home. We love spending part of the winter on Maui, and when the unit is empty, we rent it out which provides a valuable service to our guests and brings in tourist money to the island. We also employ local cleaning servie, handyman, maintanance people, etc... Our guests range from foreign tourists to locals visiting from a different island for family gatherings. Our prices are significantly cheaper then staying at a hotel, and guests are able to have a better experience with fully stocked kitchen. If we are not able to rent the unit, we would likely have to sell it, shattering our dream of moving to maui, our cleaners will loose part of their income, given how expensive real estate currently is it is unlikely that displaced Lahaina residents would be able to afford it (or else they would have already bought a place) unless of couse real estate market has a shart pecline, which will significantly impact revenue collected by the state as well as likely make many families go under.

This bill is a really bad idea, and should not be allowed to pass.

SB-2919-HD-1

Submitted on: 4/1/2024 11:58:25 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lauren Nelson	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Lauren Nelson

Makawao, HI

SB-2919-HD-1

Submitted on: 4/1/2024 12:01:27 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeremy Broughton	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I respectfully submit testimony to **OPPOSE** H.B. SB2919. I am an owner at Papakea Resort, which has been marketed and sold as a legal vacation rental property for nearly 50 years. Papakea maintains resort amenities, such as tennis courts, a front desk staff and a concierge. Operations and maintenance require significantly larger homeowner association fees than a residential property, and with the small unit sizes and limited parking, it does not align well to residential use. Papakea is also not located within a residential area. It is an oceanfront resort situated within an area of hotel-zoned properties and commercial businesses. Papakea's current operating model employs many surrounding area residents - both directly in resort operations, as well as indirectly through maintenance, property management, trades, repairs and furnishings. With our Papakea unit, all of the revenue generated from rentals has stayed in Maui and has been put back into the Maui community through spending at local businesses on our stays, and on products and services for improvements made within the unit. Nothing we have earned has left the island, and it is our full intention to continue this way. With my opposition to SB2919, I look forward to being able to continue taking part in and contributing to this lovely community.

Thank you for your consideration of my testimony.

Sincerely,

Jeremy Broughton

SB-2919-HD-1

Submitted on: 4/1/2024 12:08:04 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lori Myers	Individual	Support	Written Testimony Only

Comments:

Please pass this bill.

Funding and powers need to be extended to local authorities to get a better handle on the the short term rental problem .

SB-2919-HD-1

Submitted on: 4/1/2024 12:08:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Breanne Fong	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Breanne Fong

SB-2919-HD-1

Submitted on: 4/1/2024 12:16:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Macdonald	Individual	Oppose	Written Testimony Only

Comments:

I am a Registered Nurse and would have a hard time finding affordable housing to rent without short-term rentals. I come over and work in your hospitals. Renting a hotel would not be worth it. If your medical system collapses on the Island how much good have you done for anyone on the Island.

SB-2919-HD-1

Submitted on: 4/1/2024 12:19:16 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rose Baagoe	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Rose Baagoe

SB-2919-HD-1

Submitted on: 4/1/2024 12:22:38 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ian Ensign	Individual	Support	Written Testimony Only

Comments:

Dear Esteemed Committee,

Aloha, my name is Ian Ensign and I am writing today urging with all the passion that I have that you stand with the people of Lahaina and do what is best (and right/Pono) to aid them and all of the people suffering after the horrific fires we have endured. Short-term rentals and the "Snow Bird" lifestyle of so many of our visitors is not only culturally unacceptable, it is provably and objectively unsustainable. The people who live here, who are raised here, and who work here are our lifeblood and need to be protected and supported at all costs. Thank you for your time and your consideration, -Ian Ensign

**From: Megan Isaac Magdalene
-Hilo Resident & Business operator.**

4/1/2024

Opposition to Bill 2919

Aloha,

I oppose Bill 2919 because The Senate legislature should never legislate to destroy competition for one industry sector while favoring another industry sector.

This bill should not be allowed to pass for legal & constitutional reasons, for economic reasons and for ethical reasons.

I am owner of a property in Downtown Hilo. My husband and I operate a business in the hosting sector. We are operators of a multi unit Short Term Rental business . We live on site on the property. Our business has hosted over 10,000 guests in 12 years. These guests have contributed to our local economy in the way that hotels are not able to contribute because of spending patterns that are particular to hosted stays. Quite simply, the money that gets spent by guests of Short term rentals is more likely to stay in our community.

My objections to Bill 2919 are as follows:

1)

There has been no economic impact study sufficient to support assertions that this will ".ensure the greatest benefit for the State as a whole.." The Grassroots Institute has submitted findings that hosting contributes \$350 million to the economy of Hawaii County alone. This is an indication of the harm that could be done if Bill 2919 permits zoning restrictions.

<https://www.grassrootinstitute.org/2023/03/hawaii-county-should-be-wary-of-short-term-rental-ban-kent-says/>

Where the argument is made that drastic changes to zoning codes will allow for affordable housing this is proveably false since Short Term Rental(STR) /'hosting' remains a means for many families and retired individuals to afford costs of living Hawaii .

Further, the interference in property rights of small farmers and removal of STR from rural /agriculture zones will be devastating to many farmers (and their communities) who rely on supplemental income derived from the Hosting

economy.

2)

The public and the legislature is being swayed by emotionally misleading arguments that have us believing that this Bill will change the outcome of a housing crisis. Why are we ignoring the findings of UHERO (University of Hawaii Economic Research Organization)? As has been stated in previous testimony against this bill the findings of UHERO report "Measuring the burden of Housing Regulation in Hawaii"

<https://uhero.hawaii.edu/measuring-the-burden-of-housing-regulation-in-hawaii/>

3)

There has been previous litigation against the State of Hawaii contesting the legality of interference with property rights by the State of Hawaii. If Bill 2919 passes it will likely trigger further litigation from multiple individuals and organizations concerned with protecting property rights and livelihood.

4)

Most importantly there is a moral and legal objection to the actions of the lobby for Hotels which is active against the hosting sector. Bill 2919 is transparently about eliminating competitions to Hotels. It clearly favors the interests of Hotel Lobbyists and their Hotel clients (Corporate entities using foreign capital). I submit transcript verbatim of oral testimony given before Senate Committee (2/2/24 testifying in support of SB2919) by chief lobbyist Kekoa McClellan for *The American Hotels and Lodging Association* here:

"Good morning chair & all of our members of The Joint Committee. Thank you so much for addressing this.

We will stand mostly on our written testimony which you have before you. I would like to take the opportunity to thank you for dealing with this issue. Eight sessions ago we were before the Senate working on a bill that would have "de-licensed" any rental listed on a platform and for eight sessions, for eight years..the American Hotels and Lodging Association (and our members) have been working throughout the counties to deal with short-term rentals. In that time there have been eight changes to the laws in our counties and we have made "negative distance" on "clawing housing back" for our workforce.

We can pay people more. We can provide better living wages. We can do more for our employee base but we cannot give them houses.

We're here before you in strong support of this bill that would give our counties the flexibility they need

& create bright Minds and safe harbors to reclaim housing for our Kama'aina families. Happy to answer any questions should you folks have them of us and again mahalo, Mahalo for dealing with "this most pressing issue."

Thank you very much."

I believe that this testimony leaves this lobbyist and his hotel lobby group open to accusations of racketeering because in his own words he has publicly confessed to having taken actions over eight years in order to eliminate competition for his industry. This should be concerning to us all.

It is on record that the average hourly wage for hotel workers in Hawaii is \$14 per hour. Rather than prioritize increasing wages to assist hotel workers with the cost of living, the Hotel Industry is making false and misleading claims against their competition. The emotional arguments being used as a cover for their true motives have created division in the community.

5. Inappropriate and unethical behavior of a public servant:

Mr Kekoka McClellan is married to Makana McClellan who is employed as a media liason in the *Office of Governor Josh Green*. Stories have been published by media featuring the exact same testifiers from Lahaina Maui appearing to testify in support of SB2919. The degree of influence that the Maclellans have had on media and stirring public sentiment is an inappropriate level of influence. My testimony is that the emotionally charged issues around housing in Lahaina has been used in an unethical way to support the interests of *The American Hotels and Lodging Association* and their clients. I submit for the record that the combined influence of the McClellans has contributed to influencing public opinion in a false way that serves private interests.

<https://www.beckershospitalreview.com/digital-marketing/hawaii-hospital-marketing-chief-appointed-to-incoming-governor-s-staff.html>

<https://www.facebook.com/GovernorHawaii/posts/makana-mcclellan-director-of-communications-spoke-at-a-press-conference-on-behal/951941152970739/>

CONCLUSION

I oppose Bill 2919 because it should never be the role of the Senate legislature to legislate to destroy competition for one industry sector against another. Upon close examination, Bill SB2929 is providing favor for the Hotel Industry and their beneficiaries and will fail to deliver sufficient economic benefit to Hawaii while also causing economic harm.

In summary :

Bill 2919 should not proceed without an economic impact study.

Bill 2919 will lead to litigation against the state for violating basic property rights.

Bill 2919 is supported by false findings of fact, false logic and divisive rhetoric to overstate a case against the hosting sector

Bill 2919 is a bill that appears to be in deference to an agenda openly stated by representatives of the American Hotel and Lodging Association and therefore should not be allowed to pass.

SB-2919-HD-1

Submitted on: 4/1/2024 12:39:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David W Medina	Individual	Oppose	Written Testimony Only

Comments:

As a resident of Lahaina, I am deeply concerned about the potential impact of SB2919 on our community. If this bill is passed, it will not only threaten the economic stability of many local residents who rely on vacation rentals for their livelihood but also the availability of temporary, furnished housing for those affected by crises like the Lahaina fires.

The proposed bill unfairly empower counties to phase out short-term rentals, potentially eliminating a significant source of income for many families. Additionally, it could retroactively change the rules, further complicating the situation for property owners who have made investments in their communities based on the legal right to rent their properties.

We must address the housing needs of our community without jeopardizing the economic well-being of local residents. I urge our lawmakers to reconsider the potential impact of this bill and work towards solutions that support both the housing market and the livelihoods of our neighbors.

Sincerely,

David Medina

Lahaina

SB-2919-HD-1

Submitted on: 4/1/2024 12:40:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sonya Seng	Individual	Oppose	Written Testimony Only

Comments:

I am a kamaaina resident and I strongly oppose this bill! The income I receive for renting out space in my residence for a minimum of 30 days is critical to us. We have 2 children away in college and renting out the extra space when they are away is critical for our income; when they are not in school, we don't have to rent the spaces, so there is room for them. I know so many families like us in Hawaii who are squeezing to pay for our kids. And with the higher property taxes and water rates, we need to be able to use our homes as short/mid term rentals to make ends meet! Don't squeeze us from every angle! This is why so many kamaaina are moving to the mainland -- we worked hard to get a home and but you pass laws like this so we can't even use it to make ends meet.

Also, the people who have rented from me are people who needed mid term rentals and couldn't have gone to hotels. These include aged parents of local residents coming to visit their children. I have had an elderly couple in my neighborhood who couldn't live at home during their home renovation, so their daughter rented my place for 6 weeks for them. I have hosted military/homeland security personnel who were waiting for base housing. I have had several people who are moving to hawaii and needed 6-8 weeks to get permanent housing.

If you take away this important housing option, you are asking for big disruption to our people. Where are family members going to stay?

When I go visit family in the mainland, I can't afford hotels. I depend on short/mid term rentals. The whole rest of the world is the same way. Why would you cripple the working and practical hospitality fo Hawaii this way? If you take away these short/mid term rentals, people will get the clear message that Hawaii is a difficult place to live, work and visit. Don't do it!!!

SB-2919-HD-1

Submitted on: 4/1/2024 12:41:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelei Tancayo	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa and Members of the Committees,

I am writing to express my strong support for SB2919 SD2 HD1 which clarifies that our Counties have the clear right to phase out short term rentals. It allows Counties to address their housing crisis by phasing out short term rentals back into long term rentals. Long term rentals are in serious demand throughout Hawaii and the Lahaina Fire of August 8, has spotlighted the need for long term housing. Thank you for your attention to this critical issue.

Mahalo,

Michelei Tancayo

SB-2919-HD-1

Submitted on: 4/1/2024 12:49:50 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Belinda Fleet	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919 which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

As a longtime resident of West Maui I strongly support SB2919. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas. This has exacerbated our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Belinda Fleet

SB-2919-HD-1

Submitted on: 4/1/2024 12:56:53 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kyle Darrow	Individual	Oppose	Written Testimony Only

Comments:

Aloha, Chair, Vice Chair and Committee,

My name is Kyle Darrow and I have property in Waikiki.

I'm opposed to bill 2919.

If this Bill passes there will be no more month-to-month rentals in Hawaii. This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing. Many only have a need for 30 day rentals, but may stay longer if they wish.

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends of which we get requests for.

Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

In addition, there will the impact be to the many residents that are employed by short and mid term rental agencies. They employ agents, IT personnel and provide jobs for cleaners and maintenance workers.

I also believe it is unfair for those whose condo units are side by side or on the same streets as hotels can't rent by the day.

Thank you for hearing my concerns

Sincerely,

Kyle Darrow

April 1, 2024

COMMITTEE ON FINANCE

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Rep. Lisa Kitagawa, Vice Chair

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Rep. Mahina Poepoe

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Rep. David Alcos III

Rep. Gene Ward

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee on Finance:

I am writing against the proposed Senate Bill SB2919 that impacts short term housing in Hawaii.

I have owned my property for over a decade, but more importantly I have been traveling to Hawaii for forty years. We purchased our condominium to reflect the love my parents had for Hawaii—as they spent fifty years traveling across the islands. They instilled that same love for the islands in us. When they died, I was able to purchase a condominium—Papakea on Maui- and every stay I thank them for the love they had—for one another and for Hawaii. As a California resident, Hawaii is our ideal vacation location. I now bring the fourth generation there because we are bringing our Parisian grandchildren there in one week! They have learned to swim in Hawaii. My daughters husband loves the Hawaiian beaches.

Let me describe Papakea---a location I have visited on numerous occasions for at least 30 years before finally purchasing a small unit. My children and now grandchildren have visited many times over the years—and long before our purchase. We bought in Hawaii rather than in Mexico *BECAUSE we knew our investment would be safe from legal changes as have characterized Mexico and Latin America!* We had a choice as we made a decision on vacation property and our investment—so we decided on a safe choice like Hawaii!

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.

- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978. We saw this happen in MEXICO and was our MAIN reason for purchasing in Hawaii—our trust in the USA and USA legal system!
- We purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, we have invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea’s Contributions to the Community

- Papakea’s resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control,

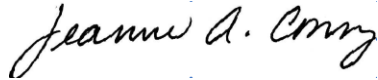
HVAC, plumbing, electrical, and tree trimming

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities. *We have hired a housekeeper and a local business man to assist us with all of our Papakea needs. We recommend local restaurants and guides*
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Task, and Maui Transient Accommodations Tax.
- Our Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Our Papakea unit sees many returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

Sincerely



Jeanne Ann Conry
Bruce E Webb



SB-2919-HD-1

Submitted on: 4/1/2024 1:02:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Milo McGarry	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My name is Milo McGarry. Thank you for allowing me to submit testimony.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments,

property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban

the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.

- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.

- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident

employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui

community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours,

select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 1:03:11 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michelle McGarry	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My name is Michelle McGarry. Thank you for allowing me to submit testimony.

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea’s resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments,

property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban

the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.

- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.

- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community

- Papakea's resort operations provide employment for approximately 35 local resident

employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.

- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui

community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours,

select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 1:05:41 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Ward	Individual	Oppose	Written Testimony Only

Comments:

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I OPPOSE SB2919 for the following reasons:

My name is Robert Ward, my wife Susan Ward and I want to thank the committee for the opportunity to testify about this bill. We have owned our condo for over 30 years after going to Papakea on our Honeymoon in 1986. We oppose SB2919

Background on Papakea

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.

- Governor Green noted that “we don’t need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books.”
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.
- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea’s Contributions to the Community

- Papakea’s resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.

· Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.

· Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

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SB-2919-HD-1

Submitted on: 4/1/2024 1:10:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jodi Robinson	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Jodi Robinson

SB-2919-HD-1

Submitted on: 4/1/2024 1:12:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mariana Melo	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

mariana Melo

SB-2919-HD-1

Submitted on: 4/1/2024 1:16:07 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Benjamin Bennett	Individual	Oppose	Written Testimony Only

Comments:

Aloha. My name is Ben Bennett. My family and I live in Kahuku. I am writing to STRONGLY OPPOSE SB2919

I appreciate that short term rentals in residential neighborhoods can have a negative impact on housing availability and prices. I recognize that the housing situation in Maui is especially dire given the tragic wildfires. While our hearts go out to our Ohana and Kapuna in Maui, the situation in O'ahu is very different and the legislature should favor home rule in this instance as one size does NOT fit all.

On O'ahu, the facts are as follows:

- Short term rentals make up less than 1% of the island's approx 371k housing units.**
- By comparison, vacant homes on O'ahu make up 9% of the housing stock.**
- 81% of the owners of short term rentals on O'ahu are LOCALS!**
- A recent study by the Oahu Short Term Rental Alliance (OSTRA) estimated that LOCAL housekeepers who assist with short term rentals make an average of \$39 / hour vs. similar jobs at hotels which pay \$15/ hour.**

Our home is located in a resort zoned area and directly adjacent to a large hotel. We occasionally rent our home on a short term basis when we are off island to offset the high cost of living in the state. O'ahu has enacted strict short term rental regulations via Bill 41 and taxes associated with the same bill. We respect and abide by those laws. We pay those taxes. We work hard to be good neighbors and to support local businesses in all that we do.

I attended the initial committee hearings for this bill at the state legislature. Far and away, the majority of the people who showed up to testify in favor of this bill were not residents (although there were some). The majority of those testifying for this bill were either from

or associated with the HOTEL INDUSTRY. How many of the HOTELS are LOCALLY owned? The answer is ZERO of the HOTELS are locally owned! 81% of short term rentals on O'ahu are OWNED by O'AHU LOCALS.

This bill would hurt my family and others who I employ by allowing even legal short term rentals that are in resort zones to be phased out. Please don't allow the hotels to mischaracterize the situation or manipulate you or other representatives into siding with them for the wrong reasons. Eliminating short term rentals isn't the silver bullet to the housing crisis. Let's start with vacant homes and work together to come up with creative solutions.

Mahalo,

Ben Bennett

SB-2919-HD-1

Submitted on: 4/1/2024 1:18:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Haunani Ford	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Haunani Ford

SB-2919-HD-1

Submitted on: 4/1/2024 1:19:15 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Sim	Individual	Oppose	Written Testimony Only

Comments:

The vast majority of short term rentals, as all county data shows, are in resort/tourist destination zones.

Hotels, timeshares and short term rentals are ALL transient accommodations and a CONFORMING use in resort/tourist destinations zones.

This Bill separates out short terms rentals and eliminates their use in resort/tourist destination zones. This Bill is driminary to one type of transient accommodation operator.

Please defer this Bill.

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

I am Fiona Van Der Mark. Thank for the opportunity to present my reasons for opposition to this bill. I am a homeowner of unit E 203 in Papakea Resort on maui.

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community:

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community:

Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.

- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 1:22:48 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jana-Nicole Laborte	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.*

*Sincerely,
Jana-Nicole K. Laborte*

SB-2919-HD-1

Submitted on: 4/1/2024 1:28:43 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Inez Z Larson	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1.

I feel strongly about this due to the current housing crisis in Lāhainā, Māui. I feel that these short-term vacation rentals in suburban-zoned areas have driven the cost of housing up into mind-boggling ranges and caused a secondary disaster of housing shortage.

Something must be done to help our people, this is a step in the right direction.

Mahalo nui,

Miss Inez Z. Larson

SB-2919-HD-1

Submitted on: 4/1/2024 1:34:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aviva Libitsky	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Aviva Libitsky

SB-2919-HD-1

Submitted on: 4/1/2024 1:37:50 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marianne Fisher	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in strong support of SB 2919 SD2 HD1 which clarifies that our counties have the clear right to phase out short term rentals over a reasonable length of time.

The housing crisis here on Maui was out of control prior to the tragic fires in Lahaina Town and Kula. Short term units, both legal and illegal, have infiltrated residential neighborhoods, taking away much needed housing for residents. I was personally displaced prior to the fires due to a Texas person buying my 8 year rental.

I am a kupuna, and I have still not secured an affordable unit.

Mahalo for your consideration and attention to this critical matter.

Sincerely, Marianne Fisher, Maui

SB-2919-HD-1

Submitted on: 4/1/2024 1:41:18 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul j Keizer	Individual	Oppose	Written Testimony Only

Comments:

My family is opposed bill SB2919 because it will be detrimental to Hawaii visitors, we have numerous family's stay at our condo that would not be able to stay at the \$700.00 + a night hotel. My family and friends will not be able to afford to vist because we will not be able to afford our home. We have owned the condominium for over 20 years which we inherited from my mother. Income received from this home pays for the loan, taxes, maintenance and upkeep and is not a money maker. As a side note the city will loose approximately \$20,0000.00 a year in taxes we are levied. By the way it is a 1 bedroom, 1 bath condominium

3/31/2024

COMMITTEE ON FINANCE
RE: OPPOSITION TO SB2919

Aloha Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and Members of the Committee:

Mahalo for the opportunity to testify in **opposition to SB2919**.

This bill is rooted in hate, stereotypes, and prejudice. STVR owners and any supporters have been slandered, intimidated, and threatened with violence. STVR owners do not fit into a pre-prescribed mold. There are owners of all ages, races, socioeconomic backgrounds, and with various protected statuses. As an owner, a member of a marginalized group, and someone that was sexually abused as a child it has been traumatizing to be referred to as a rapist repeatedly by supporting testifiers. The amount of political theater and dirty tactics are deeply disheartening.

The front door to Hawai'i is wide open. This bill does nothing to solve the root of the issue. Resorts and condos built in the 1960s and 1970s that haven't changed in number or function (legal STVR) are not the problem.

Let's not shy away from the fact that a lot of folks on the support side need to have an uncomfortable look in the mirror. There are too many issues to note, but below are some big ones.

- How many transplant hoale supporters are yelling and screaming about affordable housing and infrastructure yet taking up space themselves? If you really believe in the narrative you say you do, then you would move out of Hawai'i.
- Mainland municipalities allow their homeless to have a one-way ticket to Hawai'i. At this rate, Hawai'i will look more and more like Oakland, CA in the years to come. How will the infrastructure continue to support these additional people? Less than a week ago there was a brush fire along Honoapiilani Highway in the area where unhoused folks live. Maui County is effectively on notice of the potential for fires in brush areas. How would another large scale fire be explained if they are complicit in doing next to nothing to mitigate this issue?

- From minimal research it appears the ultra-wealthy get all kinds of fast-tracking favors that has led to the proliferation of luxury home development on Maui. Even the monster Napili home was a great example¹ at how inept the county is at actually enforcing or investigating issues.
- Recently Hawai'i was named the most corrupt state and it is certainly living up to that reputation during this legislative session. Strange that the AG sat and passionately argued about constitutionality for foreigners' rights to buy property but won't do their job and correctly identify the unconstitutionality of this bill and 1838. Maui County specifically has a long history of corruption.² It is amazing to me that Maui County - which can't even correctly collect the MTAT, effectively enforce illegal short-term rentals, or generally manage the local environment would be given greater authority.
- Can no one really ask themselves why multi-national hotel chains would embed themselves in this issue? When other developments have a moratorium³ hotels magically are allowed to continue on. Do people really not know the kind of horrible companies they are? Below are just two minimal examples of how poorly they treat their employees.



Unite Here! Local 5 is at Hilton Hawaiian Village Waikiki.
January 31 · Honolulu, HI · 🌐

Local 5 VICTORY 🎉 Workers in the Hilton Hawaiian Village Housekeeping department received their backpay checks after standing up to Hilton's management for using the pandemic as an excuse to cut jobs and services. 🍌

When hotels, including the Hilton Hawaiian Village, first reopened after the COVID-19 lockdown, they did not bring back daily housekeeping services claiming safety reasons. But as time went on and hotels got busier, management refused to bring back daily housekeeping, despite language in the CBA requiring guestrooms to be cleaned every day. Under this new model, the company could make an even bigger profit charging the guest higher prices for less services, which resulted in less fewer jobs, and higher workloads.

This victory at the Hilton Hawaiian Village was thanks to workers who stepped up and organized actions that put pressure on management to follow the CBA and bring back daily housekeeping.



Unite Here! Local 5
February 28 · 🌐

VICTORY for Hyatt Regency Workers 🎉 In January, waithelp at The Buffet at Hyatt Regency won their grievance against management and \$13,000 in backpay.

Since June 2023, management had not been honoring the section in their CBA that said buffet waithelp should receive a 15% service fee for all comped meals. Pamela Toma, their shop steward, gathered receipts to show that management was in violation. Together, the workers organized to bring this issue to management and put a stop to this unfair practice.

At the start of my testimony I noted the hateful perspective of the supporters of this bill (and 1838). The following are just a few brief examples of the kind of toxic behavior they have shown.

¹ <https://www.civilbeat.org/2022/12/investigation-into-maui-monster-house-dies-in-committee/>

² [https://www.nytimes.com/2023/10/25/us/hawaii-bribery-maui-fires-rebuild.html#:~:text=That%20made%20it%20easy%20for,contracts%20to%20H2O%20Process%20Systems.&text=SKIP%20ADVERTISEMENT-,Mr.,\\$2%20million%20over%20six%20years.](https://www.nytimes.com/2023/10/25/us/hawaii-bribery-maui-fires-rebuild.html#:~:text=That%20made%20it%20easy%20for,contracts%20to%20H2O%20Process%20Systems.&text=SKIP%20ADVERTISEMENT-,Mr.,$2%20million%20over%20six%20years.)

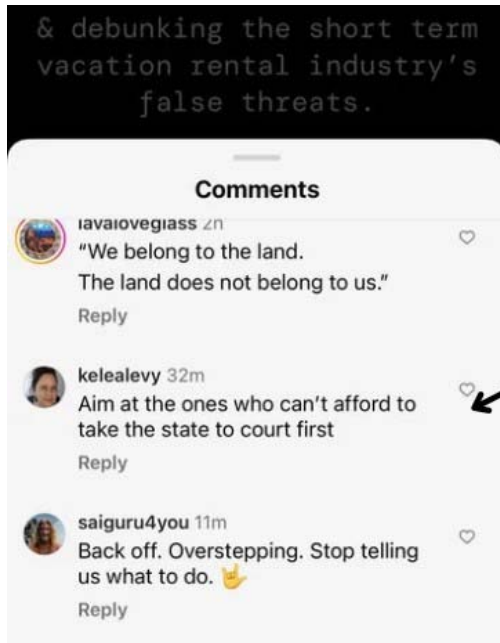
³ <https://mauiow.com/2022/10/22/maui-council-passes-bill-to-end-hotel-moratorium-but-cap-transient-vacation-rentals/>



Here's the land grab everyone warned about. Bill 2919 and 1838 are an attempt at a hateful reshuffling of the deck under the guise of supposed affordable housing. Lahaina Strong is doing the bidding of the hotel industry. These bills rely on lies about the Minatoya list properties and are fundamentally unconstitutional. Tarnas, who is so often now quoted as stating there are no constitutional issues, appears to have relied on incorrect legal analysis. He also wrongly, or for political theater, assumed the bill would only affect around a 100 single family homes.

Lahaina Strong has perpetuated and allowed their followers to grow into an angry mob that has threatened violence at an increased frequency. On 3/30 at their rally, a Lahaina Strong supporter can be quoted as saying to a bystander "why don't you get the f*** up so I can knock you the f*** out." By supporting this bill, this is the future Hawai'i you support.





Older and vulnerable opponents (retired folks on a fixed incomes - including Hawai'i teachers, those caring for loved ones with disabilities, etc.) rely on legal STVR income and have testified to that fact. It is sickening that this bill and 1838 aim to hurt on every level.



This bill never should have made it this far. I urge you to do the right thing and **vote no on SB2919**.

Mahalo.

SB-2919-HD-1

Submitted on: 4/1/2024 1:44:33 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Henry	Individual	Oppose	Remotely Via Zoom

Comments:

Respectfully Senators,

SB2919 is ILLEGAL AND UNCONSTITUTIONAL and must be stopped!

SB2919 SD2 violates both the US Constitution and the Hawaiian Constitution by attempting to circumvent the principles of separation of powers and checks and balances outlined therein. The separation of powers, as defined in Article I, Section 3.1 of the US Constitution, ensures that each branch of government remains equal and independent, capable of overseeing and restraining the others. It is imperative to note that the proposed legislation seeks to nullify a court ruling, which is a clear violation of legislative power.

The audacity displayed in proposing legislation to remove a law previously deemed unlawful by the courts is unconstitutional. The ruling on Ordinance 227 highlighted various violations, including preemption by state statutes, infringements on constitutional rights, and contravention of established legal doctrines. Attempting to nullify this court ruling through legislative means is an unlawful delegation of authority and undermines the judiciary's role in interpreting laws.

Such actions by the legislature constitute a direct violation of the US Constitution, which upholds the independence and authority of the judicial branch. By seeking to override a court ruling, the legislature undermines the foundational principles of separation of powers and checks and balances. This maneuver not only disregards the judiciary's authority but also undermines the very fabric of constitutional governance.

SB2919 constitutes a clear violation of the 14th Amendment of the US Constitution, particularly Article I, Section 10, Clause 1, which explicitly prohibits states from entering into any form of legislative action that impairs the obligation of contracts. This fundamental provision aims to safeguard private property rights and ensure the sanctity of contractual agreements.

Furthermore, the 14th Amendment's Contract Clause restricts a state's authority to enact laws that breach or modify existing contracts or regulate contracts between private parties. The Supreme Court's interpretation of this clause underscores its significance in maintaining the integrity of contractual relationships and protecting individuals' property rights.

By introducing SB2919, the state unlawfully interferes with contractual agreements, introducing uncertainty and diminishing property values. This legislation not only disregards the

constitutional protections afforded to property owners but also constitutes an unlawful application of ex post facto laws. Such laws, enacted after the fact, alter property zoning designations and infringe upon rights established within original purchase contracts.

The substantial changes to property usage introduced by SB2919 directly undermine the integrity of contractual agreements and diminish property values. These alterations significantly impact the market availability and monetary worth of properties, constituting a flagrant violation of constitutionally protected rights outlined in Article I, Section 10, Clause 1 of the 14th Amendment.

In conclusion, SB2919's provisions represent a grave infringement upon property rights and contractual obligations enshrined in the US Constitution. It is imperative to uphold the sanctity of contractual agreements and preserve the constitutional protections afforded to property owners.

Furthermore, the Hawaiian Constitution, under Article V, emphasizes the equality and independence of all three branches of government to prevent precisely this type of legislative overreach. Any attempt to override a court's decision through legislation is in direct contradiction to the spirit of the Hawaiian Constitution and must be halted immediately.

Therefore, SB2919 SD2 is both illegal and unconstitutional. It is imperative that no further taxpayer funds be expended on the passage of unconstitutional laws that would inevitably face legal challenges. Enacting legislation with the sole purpose of overturning a judicial verdict is contrary to the rule of law and the principles enshrined in the US Constitution.

In conclusion, SB2919 SD2 must be stopped immediately to uphold the integrity of our legal system and respect the principles of constitutional governance.

Respectfully,

Robert Henry

SB-2919-HD-1

Submitted on: 4/1/2024 1:47:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Victoria Barackman Johnson	Individual	Oppose	Written Testimony Only

Comments:

Because our renting is LEGAL, we have the First Amendment right of free speech to advertise the rent. The Honolulu Department of Planning and Permitting refuses to acknowledge this. They demonstrate their disdain for our kūpuna by hunting them down using software the DPP purchased. When they find an advertisement the DPP response is a \$10,000 fine designed to quell lawful use. This could be as minor as a setting on the platform where the fine should be no more than \$200. That is followed up with a lien on their property. Any reasonable person would consider this an excessive fine prohibited by the United States Constitution. Our kūpuna live in fear of their government. Be completely aware that this is the real home rule nightmare for our residents you would be voting for today.

After losing ONCE to the Federal Judge on unfair practices, I guess the state wants to spend another \$300,000 about such unconstitutional actions by the DPP.

Thank you for the opportunity to highlight what is going on at the DPP level of unfair excessive fines for a civil penalty and their lack of providing undue process when it comes to getting a hearing date with the VOLUNTEER Zoning Board of Appeals

Please help us citizens living here on the island

Respectfully submitted

SB-2919-HD-1

Submitted on: 4/1/2024 1:49:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Nakamura	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which affirms that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the islands, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices.

The lessons that should have been learned here are to put people over profit and the basic well-being of kanaka and kama'aina over the investments of wealthy outsiders/newcomers. We have the opportunity to make positive changes and go in a more just direction for the future. Mahalo for your attention to this critical issue.

Sincerely,

Jessica Nakamura

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

I am Robin Van Der Mark. Thank for the opportunity to present my reasons for opposition to this bill. I am a homeowner of unit E 203 in Papakea Resort on maui.

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community:

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community:

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 2:04:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karissa Anderson	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee:

My name is Karissa Anderson and I own a condo on Maui.

I am writing in opposition of SB2919 SD2 HD1 because it will threaten my ability to make a living as well as negatively impact the cleaners and maintenance workers who live and work on Maui. SB2919 could result in the phasing out of over 13,000 legal short-term rentals on Maui. If STRs are phased out/banned, many local residents will become unemployed due to a dramatic decrease in visitors and will need to move to the mainland; they will have no need for the housing that was once a STR, and STRs will be left vacant.

Eliminating short-term rentals benefits no one, especially the state of Hawaii. Maui's STRs provide 40% of the real property tax revenue for the county, as well as being the top funding source for affordable housing for Maui. This STR property tax revenue represents 18% of the county's 1.7 billion dollar budget. Where will that revenue come from? It will by default increase the tax burden on residents.

Mid- and short-term rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, and our family & friends. I urge you to enforce existing laws and ask that you please not move SB2919 SD2 HD1 forward.

I rent my condo to visitors who are unwilling to stay in hotels and have told me that they will not visit the islands if forced into hotels. Many of my guests who rent my condo have been visiting for years and put thousands of dollars into Maui's economy every year by supporting small businesses, restaurants, etc.

My condo is zoned apartment, but is located in a resort complex. Like most STRs in Maui, it is a 1 bed/1 bath unit that is unsuitable for longer term renters as there is no storage, no pets allowed, only a single parking space, and a very high HOA fee of \$800 per month. Phasing out STRs will not create more affordable housing; it will only dramatically reduce the amount of income-generating visitors. Locals will not want to purchase former short-term rentals for the reasons stated above. The default buyers of these properties will be wealthy off-island owners who can afford to purchase them and leave them empty for a majority of the year. Hosting visitors as short-term renters adds so much more to Maui's economy.

With respect and aloha,

Karissa Anderson

SB-2919-HD-1

Submitted on: 4/1/2024 2:04:58 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Esther Lehmann	Individual	Oppose	Written Testimony Only

Comments:

Chairman, members of the committee,

I am writing to express my strong opposition to SB2919, SD2, the proposed vacation rental law.

As a landowner on Big Island, I believe this legislation will have detrimental effects on our community and infringe upon property rights.

Firstly, SB2919, SD2, imposes excessive regulations on vacation rental properties, stifling the economic opportunities they provide for homeowners. Many families rely on income from renting out their properties to supplement their livelihoods. This law would impose burdensome requirements, making it financially unfeasible for many to continue operating vacation rentals. Many of us rent part time so that our family is able to return to Hawaii seasonally. Whether it's our parents or children, this is a way of maintaining our homes.

Furthermore, the proposed law undermines the rights of property owners by imposing arbitrary restrictions on how

they can utilize their homes. Property rights are fundamental to our society, and this legislation sets a dangerous precedent by allowing government overreach into private property matters.

Additionally, SB2919. SD2, fails to address the root causes of any issues associated with vacation rentals. Instead of implementing heavy-handed regulations, policymakers should focus on promoting responsible hosting practices through education and community engagement.

In conclusion, I urge the committee to reject SB2919, SD2 in its current form. Let's work together to find solutions that balance the interests of homeowners, renters, and the community at large without infringing upon property rights. Thank you for considering my testimony.

Mahalo,

Esther Lehmann

SB-2919-HD-1

Submitted on: 4/1/2024 2:05:49 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
LAN LI	Individual	Oppose	Written Testimony Only

Comments:

Honorable Legislators,

I am writing to express my strong opposition to SB2919, a bill that proposes to phase out short-term rentals in our beloved state of Hawaii. This bill, while well-intentioned in its efforts to preserve the character of our communities and address housing concerns, fails to recognize the critical role short-term rentals play in our local economy, the diversity they bring to our tourism sector, and the freedom they offer to property owners.

Economic Impact

Firstly, the economic implications of this bill cannot be overstated. Short-term rentals contribute significantly to Hawaii's economy, not only through direct revenue from tourism but also by supporting local businesses and jobs. According to studies, tourists who stay in short-term rentals tend to stay longer and spend more money in local economies compared to those staying in traditional hotels. By phasing out short-term rentals, we risk a substantial decrease in tourist spending, which could lead to job losses and harm small businesses that rely on this sector.

Diversity in Tourism

Secondly, short-term rentals offer a unique and diverse tourism experience that is different from what hotels can provide. They allow visitors to immerse themselves in local neighborhoods, promoting a deeper understanding and appreciation of our culture and way of life. This diversity in accommodation options is crucial in attracting a wide range of tourists, including families and groups who may prefer the home-like setting of a rental over a hotel room.

Property Rights and Flexibility

Furthermore, the bill infringes on the rights of property owners to use their property as they see fit. Many homeowners depend on the income from short-term rentals to afford their mortgages and living expenses. The ability to rent out one's property, even on a short-term basis, is a flexibility that can be crucial for homeowners facing financial difficulties. Instead of an outright ban, a more nuanced approach that includes regulation and enforcement can address concerns related to housing and community character without stripping property owners of their rights.

Proposed Solutions

Rather than a phase-out, I propose a more balanced approach that to maximize the transient tax income from all the tourisms, and use those income to build out more affordable housing. We don't want to kill the hen that lay golden eggs, which would be very short-sighted.

In conclusion, while the concerns that SB2919 seeks to address are valid, the proposed solution threatens to do more harm than good to our economy, our tourism diversity, and the rights of property owners. I urge you to consider alternative measures that protect our communities without undermining the vital contributions of the short-term rental sector.

Thank you for your time and consideration.

SB-2919-HD-1

Submitted on: 4/1/2024 2:09:48 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Heidi Brown	Individual	Support	Written Testimony Only

Comments:

When vacationers own more land than the locals, it's time to start changing the infrastructure of these laws. We are in support of phasing out vacation properties.

SB-2919-HD-1

Submitted on: 4/1/2024 2:10:14 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bill Newcomb	Individual	Oppose	Written Testimony Only

Comments:

This will hurt many families that depend upon this income.

SB-2919-HD-1

Submitted on: 4/1/2024 2:10:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Curtis Costanza	Individual	Oppose	Written Testimony Only

Comments:

Representative Yamshita, Chair, Representative Kitagawa, Vice Chair and other respected committee members - my name is Curtis Costanza and my wife, and I are residents of Kihei. I am testifying in opposition to HB1838 currently for a variety of reasons.

First and foremost, how will the lost tax income be replaced? Maui's short-term rentals provide roughly 40% of the real property tax revenue for the county. How will the missing tax revenue be replaced? Without a substantive plan, this Bill (if implemented) will have unexpected consequences. Additionally, there are thousands of people that earn a living through direct or indirect contact with STRs: cleaners, managers, on-island contacts, etc. This is an unforeseen or undervalued negative consequence if this Bill is allowed to progress. I feel that more research and alternatives must be investigated.

Are we in a housing crisis? Yes, of course. But this Bill is not the answer. We on Maui continue to support those misplaced by the Lahaina fires, the devastation of the fires cannot be under expressed. But in our haste to believe what would be a benefit to our community, may ultimately be a hindrance. The housing crisis needs to be addressed, but this Bill will do the opposite for the people, the county and the state. The thousands of jobs lost will be significant.

Let's continue to brainstorm ways to help those that are in a housing crisis without decimating the livelihood of others. STRs do have positive contributions to our community, yet they are being treated as if they are the main underlying cause of the crisis. This is not true. The average tourist cannot afford the astronomical prices of hotel rooms, they rely on moderately priced STRs to afford their visit. I strongly urge you to continue working on this issue without disrupting the lives of so many people living in our community. Thank you for the opportunity to testify my opposition to Bill SB 2919.

Mahalo, Curtis Costanza

SB-2919-HD-1

Submitted on: 4/1/2024 2:12:02 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Biederman	Individual	Oppose	Written Testimony Only

Comments:

Please don't ruin my retirement. We bought our condo to enjoy it in our retirement. We need to rent it out to afford it. We are licensed and pay our taxes. Instead of focusing on us, you should close the unlicensed STR's that pay no taxes. Mahalo for listening

SB-2919-HD-1

Submitted on: 4/1/2024 2:13:21 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ka'eo Keeling	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha Esteemed Members of the Hawaii Senate,

This letter serves as my unequivocal opposition of Senate Bill 2919 (SB2919). My opposition to this bill stems from its alarming disregard for both US Constitutional and Hawaiian Constitutional Rights, as well as its adverse effects on property rights and its contravention of long-standing legal findings and constitutional laws.

SB2919 illegally, explicitly targets existing transient accommodation uses in residential and agricultural zones for amortization, a process that undermines property owners' legally and constitutionally protected rights. This targeted approach not only threatens property values but also introduces harmful ambiguities that hinder future planning and investment, thereby violating constitutionally protected rights under both the Hawaii State Constitution and the Constitution of the United States of America:

Violation of the Hawaii State Constitution Article I, Section 5 - Erosion of Property Values:

SB2919 violates the Hawaii State Constitution's Article I, Section 5, by failing to ensure explicit legal protections for homeowners' property usage rights. and it infringes upon homeowners' rights to clear and predictable laws regarding property rights, as guaranteed by Hawaii Revised Statutes (HRS) § 91-1.5.

Violation of the US Constitution Amendment 14 Article I, Section 10, Clause 1 - Violation of Contracts and Equal Protections:

SB2919 flagrantly violates the 14th Amendment of the US Constitution, which safeguards the right to property protection and equal treatment under the law. By targeting transient accommodation owners with zoning laws exclusive to them, SB2919 unlawfully discriminates against Hawaiian property owners engaged in lawful transient accommodation use, thus egregiously violating their constitutionally protected status.

SB2919's Direct Violation of the 14th Amendment of the US Constitution:

SB2919 introduces uncertainty and illegally enacts ex post facto laws that remove legal property zoning designation usage rights and amortize zoning classifications protected in original purchase contracts. This substantial alteration of property usage directly violates constitutionally protected rights outlined in Article I, Section 10, Clause 1 of the 14th Amendment of the United States Constitution.

Violation of the Fifth Amendment Due Process Clause and The Takings Clause:

SB2919 breaches the Fifth Amendment's Due Process Clause and The Takings Clause by devaluing property without just compensation. This legislation leaves property owners without the constitutionally protected takings clause, thereby unlawfully depriving them of their rightful property's economic value.

SB2919 violates violates the Fourteenth Amendment's Equal Protection Clause and Due Process Clause by solely focusing on transient accommodations in proposed zoning laws, discriminating against local property owners engaged in lawful property usage at the time of acquisition.

This well-established law of Due Process is clearly violated by failing to protect property owners under your jurisdiction and depriving property owners of their protected constitutional rights.

SB2919 undermines property owners' legally protected rights and will lead to significant financial losses and devastation.

SB2919 is illegal and infringes upon the protected Constitutional rights of our Hawaiian community which you serve.

OUR MEMORIES ARE NOT THAT SHORT!

REMEMBER WHEN ORDINANCE 227 WAS DEFEATED IN COURT JUST 90 DAYS AGO?????????

SB2919 IS EVEN MORE ILLEGAL AND MUST BE STOPPED IMMEDIATELY, BEFORE IT REPEATS THE DISGRACEFUL FAILURE OF ORDINANCE 227 PERPETUATED BY OUR LEGISLATURE, A MERE 90 DAYS AGO!

Respectfully and with Aloha,
Ka'eo Keeling

SB-2919-HD-1

Submitted on: 4/1/2024 2:13:58 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laurie R	Individual	Oppose	Written Testimony Only

Comments:

I have read this bill over and over again, and quite frankly, it is such legal-speak, that much of it is difficult to understand. But it appears that you are speaking of taking away the rights of homeowners who have legally obtained these homes and have acted in a lawful manner during their ownership. The residents and owners of these properties have done nothing wrong in accordance to the laws of the State of Hawai'i (and the County of Maui), yet you propose to take away their rights. It is my understanding that many of the properties you speak of are on the Maui County Minatoya list, and they have been conducting their businesses in a lawful manner according to this list.

The majority of the properties on the Minatoya list were built in the 70s and 80s (some in the 60s) and operating for 40-60 years. After that many years, how is it that this legislature can say this is the primary problem on our islands? You and all of your predecessors could have been addressing this "so called" problem for all of those years if it was really the reason for the issues you espouse.)

You are essentially "stealing" from these people, that which is rightfully theirs. Instead of addressing the problem that the State and County legislatures have allowed to fester for years and years and years. Maintaining land and building affordable housing for the community. YOU have allowed that to happen, not the people that you are targeting.

If necessary, regulate new proposed structures for short term use going forward. But don't act like a dictatorship and begin stealing the rights of those who have done nothing wrong.

This term "phasing out" these properties is nonsense as well. You will crush your own economy by doing that through loss of tax dollars. You will ultimately do more harm to those you are espousing to help than anything.

Many of these rentals that you are targeting are also not appropriate for the families you seek to help. They are often 1 bedroom units with 1 parking spot, and very, very high HOA dues

I would urge you to develop other, better serving ideas for your community than removing the rights of some.

SB-2919-HD-1

Submitted on: 4/1/2024 2:14:01 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charles Voigt	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Charles Voigt, and I am a local resident and vacation rental owner in Hawaii. As a small business owner who has been renting out condos in South Maui since 2010, I am deeply concerned about the potential impacts of SB2919 on my livelihood and the livelihoods of others in our community.

The vacation rental industry has been a crucial source of income, not only for my family but also for the cleaners, handymen, and others we employ. We contribute significantly to the local economy through various taxes such as TAT, GET, MCTAT, and property taxes. SB2919, if passed, could make it extremely challenging to continue operating our vacation rentals and supporting our family and those who work with us.

I urge you to consider the broader implications of SB2919 on the local community's economic stability and the diverse workforce it supports. Let's work together to find solutions that balance the needs of the community while preserving opportunities for citizens to participate in Hawaii's tourism industry.

Mahalo for your consideration.

Charles & Elizabeth Voigt

SB-2919-HD-1

Submitted on: 4/1/2024 2:14:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Wu	Individual	Oppose	Written Testimony Only

Comments:

I oppose this legislation for the following reasons:

1. I need the stvr income for survival;
2. I create local employment by hiring housekeepers, gardeners, handyman, etc
3. It will decrease tourism because of the elimination of affordable lodging and thus damage the local economy.

Subject: Strong Opposition to SB2919, SD1

Dear Senator Dela Cruz, Chair, Senator Moriwaki, Vice Chair, and Esteemed Members of the Committee:

I am writing to express my strong opposition to SB. 2919, SD1, and I urge you to consider the significant ramifications before proceeding with this proposal.

First and foremost, this bill could lead to the phasing out of 13,744 legal short-term rentals on Maui. As a critical component of Maui's economy, these rentals not only provide accommodation for visitors but also contribute substantially to the county's finances. In fact, they account for 40% of the county's real property tax revenue and serve as a top funding source for affordable housing initiatives. If these rentals are eliminated, the loss of revenue will pose a significant challenge for the county's budget, raising questions about how essential services will be funded in the future.

Moreover, short-term rentals play a crucial role in accommodating various individuals and groups within the community. From displaced residents to traveling nurses and emergency contractors, these rentals serve as temporary homes for those in need. Additionally, they support Maui's tourism industry by providing lodging for visitors, including inter-island travelers and families on vacation.

To illustrate the potential consequences of banning short-term rentals, I draw your attention to the case of South Lake Tahoe. Following the prohibition of short-term rentals in that area, the local economy suffered greatly. Real estate prices skyrocketed, local businesses closed down, and job opportunities dwindled. It is essential to learn from such examples and consider the broader economic impact before making any decisions that could harm Maui's economy and its residents.

As an owner at Papakea resort, I can attest to the positive contributions of short-term rentals to the local community. The resort employs approximately 35 residents and supports various tradespeople and service providers, ranging from plumbers to landscapers. The revenue generated from short-term rentals not only sustains these businesses but also contributes to the overall economic vitality of Maui.

Furthermore, the taxes generated by short-term rentals are essential for funding crucial services and infrastructure projects in the state and county. Rather than eliminating this revenue stream, alternative solutions should be explored, such as directing transient taxes towards affordable housing initiatives or streamlining the permitting process for new construction.

In conclusion, I urge the committee to defer S.B. 2919, SD1 and to carefully consider the long-term implications of this proposed legislation. It is imperative to conduct a thorough cost-benefit analysis and explore alternative solutions before taking any action that could jeopardize Maui's economy and the well-being of its residents.

Respectfully submitted,

Randip Manrao

SB-2919-HD-1

Submitted on: 4/1/2024 2:17:15 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sam Chesick	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing to express my strong opposition to House Bill SB 2919, which, from my understanding, aims to address housing issues. While I recognize the importance of tackling housing challenges in our community, I am deeply concerned about the potential negative impacts this bill could have, particularly in terms of job loss and its inadequacy in effectively addressing housing problems.

Firstly, based on my analysis of the proposed bill, it appears that certain provisions could inadvertently lead to job losses in various sectors. Whether through increased regulations, financial burdens imposed on businesses, or other mechanisms, any legislation that results in job losses could have devastating effects on individuals and families, exacerbating rather than alleviating housing issues.

Furthermore, despite the bill's purported goal of addressing housing problems, there is substantial evidence to suggest that its proposed measures may not adequately tackle the root causes of the housing crisis. Simply implementing regulations or incentives without a comprehensive understanding of the underlying issues risks being ineffective at best and counterproductive at worst.

In light of these concerns, I urge you to reconsider supporting SB 2919 and instead explore alternative solutions that prioritize job creation, sustainable economic development, and comprehensive housing strategies. By engaging stakeholders from diverse backgrounds and disciplines, we can develop more holistic approaches that address both the immediate challenges and the systemic issues contributing to housing insecurity.

Sincerely,

Sam Chesick

SB-2919-HD-1

Submitted on: 4/1/2024 2:19:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leslie	Individual	Oppose	Written Testimony Only

Comments:

Leslie MacKenzie Smith

████████████████████

████████████████

As a long-time resident of Maui for the past 42 years and a property owner of a **legal** short-term rental since 1989, I am deeply concerned about the potential implications of this bill. This legislation directly impacts the Maui economy, local employment, and the livelihoods of numerous individuals and families in our community.

Short-term rental properties play a crucial role in supporting the Maui economy by providing valuable employment opportunities. The proposed bill poses a threat to the livelihoods of individuals who depend on the short-term rental industry for their income, including housekeepers, maintenance workers, and working-class families. Any legislation that jeopardizes these employment opportunities would have detrimental effects on our local community.

Furthermore, short-term rentals serve as essential accommodations for visitors to Maui, contributing to the vitality of our tourism industry. The presence of these rentals not only supports the local economy but also provides visitors with diverse and affordable housing options. This enriches the experience of those who choose to visit our beautiful island.

I urge you to consider the far-reaching impact of bill SB2919 on the Maui community and to take into account the voices of residents and small business owners who rely on the short-term rental industry for their livelihood. Any legislative action that undermines this vital sector of our economy could have negative repercussions for everyone involved.

As a Maui resident with 4 girls born and raised on Maui the idea of the county wanting to take away from one group to help another makes NO sense and is so disheartening. Many of us stepped up to help the displaced fire victims immediately and now you want to take away our rights. How is this fair?

Maui has had a housing shortage for years. The repercussions of this bill will have severe negative impact on many levels!

I respectfully request your thorough consideration of the potential consequences of bill SB2919 and ask for your support in safeguarding the Maui economy and the livelihoods of our local residents.

Thank you for your attention to this matter.

Leslie M Smith

SB-2919-HD-1

Submitted on: 4/1/2024 2:19:29 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Z. E. Dajani	Individual	Oppose	Written Testimony Only

Comments:

Why are you destroying our great state? Restricting or banning short term rentals will have a huge negative impact on our local economy and will put hundreds of thousands of small businesses out of business. It will lower tax revenue in Maui considerably and we already are so under funded ! Further it will discourage tourism as hotels will have a monopoly on rooms and thus drive the price up to inaccessible levels. PLEASE do not pass this bill. My family, extended family, friends and colleagues are counting on you to do what's good for all citizens - not what's good for hotels Please!!

SB-2919-HD-1

Submitted on: 4/1/2024 2:22:38 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brett Hulme	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Brett Hulme and I live on the island of Oahu.

I am writing in opposition of SB2919 as current, legally permitted short-term rentals (per Ord 22-7) are important for tourism on the island of Oahu as they provide family and visitors with variety and choice as compared to a hotel room. A hotel room is not affordable nor livable to many that have families, need to prepare meals, or need more space than one room.

This bill will hurt me, other residents and important visitors that rely on current, legally permitted short-term rentals as temporary, furnished, and affordable housing. In addition, it will also threaten my ability to make a living along with the other cleaners, electricians, plumbers, painters, maintenance workers, and small businesses like me, who live and work in my community and put at risk my ability to pay for my own housing and bills.

In addition, this bill will create another type of housing crisis for those that can't qualify for a long-term rental or need temporary furnished housing. Mid and Short-term rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends. Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if the med and short-term rental industry is further decimated?

Also, this bill will hurt the county and state due to the loss of revenue created by GE, TA, and OTAT taxes that current, legally permitted short-term rentals generate and pay to the county and state of Hawaii.

Please let the counties enforce laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

Brett

SB-2919-HD-1

Submitted on: 4/1/2024 2:22:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deb Price	Individual	Oppose	Written Testimony Only

Comments:

Please leave the owner of condo's here on Maui alone, we've been through enough with the fire, then the Governor and Mayor! You are killing tourism and JOBS - leaving many unemployed people can't pay their rent, and no money to pay mortgages.

HB1838 HB RELATING TO ZONING. Written Testimony submitted 20240227

Aloha Chair, Vice Chair and Committee,

I am writing in **opposition** of this bill because it will threaten my ability to make a living.

I work for a small business that services short-term vacation rentals on my island Oahu along with the other cleaners, electricians, maintenance workers, and small businesses like me, who live and work in my community.

This bill will hurt me and put at risk my ability to pay for my own housing and bills.

Let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 2:23:36 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherri Williams	Individual	Oppose	Written Testimony Only

Comments:

Aloha. I bought my condo in 2009 as a rental investment with the intention of retiring on Maui. We started traveling to Maui in 1997 and always rented a condo based on the affordability vs a hotel. I pay GE , TA, very high property taxes as well as HI income tax. I have never missed a payment. My husband and I worked very hard for 30 years to be able to purchase our condo. We rely on ST rentals to meet our mortgage, insurance, HOA fees and taxes. I hate what happened to Lahaina. I lost my home from a fire years ago. I do want to state that I did not receive any free rent, utilities, meals etc. I do resent the concept of forcing me out of my condo with threats of raising taxes or taking away my ability to continue renting. Our complex was built allowing rentals and to take that right away is inexcusable. There are no restrictions as far as who can buy property on Maui and that certainly includes those raised and living on Maui. My husband and I began our marriage with less than \$200. We worked for everything we have. Maui locals have that right as well. Very few people have everything handed to them and you have to have the desire to work for what you want. That concept seems lost on Maui. The Maui and Governor would rather take what they feel some don't deserve to own and give it to those who wants everything handed to them. There has been more than enough time to ship in modular housing and enough donations and taxpayer \$\$ given to put these in place without forcing condo rentals out of business. Has anyone even considered the amount of revenue lost by doing this.?? This entire concept seems corrupt and illegal.

SB-2919-HD-1

Submitted on: 4/1/2024 2:24:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Aakhus	Individual	Oppose	Written Testimony Only

Comments:

As a long time resident and owner of rental property on Oahu, I strongly oppose this bill.

There was already a bill passed almost 2 years ago to regulate STRs and restrict zoning for short term rentals to designated resort areas. Why are further restrictions necessary?

This is clearly funded by, supported by, and will go to benefit major hotel corporations under the guise of benefiting the local housing community. Property owners in existing resort zoned or TVU allowed areas should be permitted to continue providing short term rental opportunities. STR's support the already struggling tourism industry, create jobs for local people, provide more exposure to local business from visitors, and provides healthy competition that prevents hotel prices from skyrocketing. The existing laws keep tourist lodging in resort zoned areas. These units are not suited for, nor are they in areas in need of, long term housing.

It is not necessary to further regulate this industry. Do not pass this bill.

SB-2919-HD-1

Submitted on: 4/1/2024 2:27:22 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pamela Gerega	Individual	Oppose	Written Testimony Only

Comments:

SB2919 OPPOSE

Aloha Senators,

I am writing to express my strong opposition to Senate Bill 2919, which is currently under consideration. As a resident of Oahu, I am deeply concerned about the potential consequences of this proposed legislation, and I urge you to vote against it.

SB2919, as currently drafted, poses significant risks to our community and environment. One of the key provisions of the bill that I find particularly troubling is that there will be no more month-to-month rentals in Hawaii.

This provision could discourage family and friends from visiting Oahu, which would have negative implications for our local businesses, tourism industry, and overall economy. Furthermore, it would diminish the cultural and social connections that are vital to the fabric of our community.

Allowing such a provision to become law would set a dangerous precedent and could lead to irreparable harm to our natural resources and quality of life.

Furthermore, SB2919 fails to adequately address the concerns and input of local residents and stakeholders. The lack of community engagement and consultation in the development of this legislation is deeply troubling and undermines the democratic process. As constituents, we deserve to have our voices heard and considered in matters that directly affect our lives and livelihoods.

In conclusion, I respectfully urge you to oppose SB2919 and any similar legislation that threatens the well-being of our community and environment. Instead, I urge you to focus on solutions that promote sustainable development, protect our natural resources, and prioritize the needs and interests of Oahu residents.

Thank you for your attention to this matter. I trust that you will carefully consider the concerns raised by myself and other constituents as you deliberate on this important issue.

Sincerely,

Pamela Gerega

SB-2919-HD-1

Submitted on: 4/1/2024 2:27:44 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
MARY MORRIS	Individual	Oppose	Written Testimony Only

Comments:

This is an over reach. Permitted STVR NUC homes have gone through rigorous permitting already. Unless there are noise complaints or problems at the home we should be allowed to continue.

My home provides jobs for housekeepers, gardeners, pool service personnel, garbage pickup, I pay them well over \$100,000 annually. Most of these people would be under employed without me. As a senior I hope to live there full time within a few years but for now, I cannot afford the property taxes unless i am able to do some vacation rentals. The home is very large and it cannot be rented out to people full time, so that argument is useless. If we are unable to do vacation rentals part of the year I will have to sell my home within a year. Then there will be a home that is just sitting empty most of the time while absentee owners visit a few weeks per year. As is I support a number of local workers and maintain a good relationship with all neighbors.

SB-2919-HD-1

Submitted on: 4/1/2024 2:31:28 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Torres	Individual	Oppose	Written Testimony Only

Comments:

Hello. My name is Andrew Torres, and my wife and our children have been coming to Oahu, Maui, The Big Island, and Kauai for over 30 years. I even proposed to my wife in Oahu 25 years ago. Two years ago, we took most of our savings and were blessed enough to purchase a home in Kauai that is in an approved vacation rental area. This is a home that we will keep in our family forever and Kauai holds a special place in our hearts.

We are very concerned about any bill that would remove our ability to rent out our home. We are using this to help us save for retirement and when it is paid off, will become our primary home.

Owners like myself, who are vested in Hawaii, know and understand its value and how special it is for us and local Hawaiians who have grown up on the islands. If you were to remove our ability to rent out our home, not only would we lose our home and be unable to make payments, but the area in which we live, which is dependent on vacation rental income, would become desolate. Jobs would be lost, cruise lines would no longer come to the pier in Lihue, and our island, would fall apart. I do understand that there needs to be some control, and Kauai is a good example of this. Years ago, they decided only certain areas would be approved as vacation rental homes. This model has worked successfully to curtail extreme tourism and has helped keep the island a wonderful place for guests and families like mine. We take special pride in owning our home. Every time we visit, I spend a lot of money fixing things on my own or hiring local contractors. We pride ourselves in being able to keep the economy running and our contribution to it. Please reconsider this bill or any other bill that would completely remove our ability to rent our home when we are not there and that would cause the loss of our home. Thank you, Andrew and Angie Torres. Lihue, Kauai.

SB-2919-HD-1

Submitted on: 4/1/2024 2:32:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Magdalena Odonnell	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose passing this bill as it will affect the lives of many - people will start losing jobs and in effect would have to move off the island. Please do not hurt our island and its people once again by passing this law.

Magdalena Odonnell

SB-2919-HD-1

Submitted on: 4/1/2024 2:32:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Monton	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Andrew Monton I live on the island of Oahu.

I am writing in opposition of this bill because it will threaten my ability to make a living along with

the other cleaners, electricians, maintenance workers, and small businesses like me, who live and work in my community.

I work for a small business that services short-term vacation rentals on my island. I am paid good wages, create my own schedule and work very near where I live, reducing my commute time.

This bill will hurt me and put at risk my ability to pay for my own housing and bills.

Let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 2:33:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ezgi Green	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the explicit right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on short-term rentals' contribution to our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Ezgi Green

SB-2919-HD-1

Submitted on: 4/1/2024 2:33:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chris Curcuru	Individual	Oppose	Written Testimony Only

Comments:

In regards to SB 2919, SD 2, HD1

I strongly oppose this bill.

As a local Hawaiian I own an operate, a small business which employees 12 Hawaiian locals. We offered maintenance and cleaning for short term. Vacation rentals. This bill jeopardizes my future and the employment future of all of my employees.

I strongly urge you to vote against this bill

Testimony on SB2919 SD2 HD1

Please accept the following testimony:

As retired persons desiring alternate income to continue to pay our mortgage and taxes, my husband and I opened a licensed bed and breakfast business in our home. Since opening, both the State and County have been working very hard to make our business unsustainable by ever increasing taxes and regulations. Soon, it will no longer be feasible for us to continue our business since guests will look for more affordable locations in which to stay. This will immediately end our GET and TAT contributions to both the State and County. It will also result in a major reduction in our disposable income, which will reduce our local spending, which will impact other local businesses and, in turn, further reduce your GET revenue. Since most of our guests would not be able to afford the resorts, our island visitor count would drop and more tax revenue would be lost. Additionally, the closing of our business would mean our property tax classification would have to change from Commercialized Residential back to Residential, further reducing revenue to our County. In an economy that is almost entirely tourism based, it seems counterintuitive to put more restrictions on the very industry that provides the most revenue.

I oppose this bill as it institutes a "Phase out" process which will close our home business and others like it, leading to the negative results mentioned above.

SB-2919-HD-1

Submitted on: 4/1/2024 2:36:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Beck	Individual	Oppose	Written Testimony Only

Comments:

Aloha

My family has hosted vacation renters for 21 years in Ka'anaapli. We have never had a single complaint to the office or any other issues involving our guests. We faithfully pay our extremely high vacation rental property taxes and have submitted GET and TAT almost every month or quarter since 2003. We have also spent well over \$100K on upgrades, most of which is local labor. In addition our family is there at least 5 times per year checking on the property and enjoying Maui and usually a neighbor island as well. In today's dollars I'm sure we spend around \$2-3K each trip just at local restaurants and activities.

A few weeks after the Lahaina fire, my wife and I also volunteered at Naplili No Ho, as we also are part of the community, despite not living there. I feel vacation rentals are being singled out as all problems there...vacation rentals DID NOT CAUSE THE FIRE and possibly is a reason for high property values leading to a housing shortage. The housing shortage is an issue pretty much everywhere for mutitudes of reasons. Surely we must understand visitors are the economy. Any idea how many local people will leave without tourism? Taxes will be devastated causing major cuts to basic services...police, fire, teachers, even county government. There simply is not enough non-tourism to support 1.445M locals.

I am 100% in favor of counties working to permit and even close illegal rentals...problem is, what is actually legal? Perhaps grandfathering those in operation now and then starting to get a handle on all the new units is a reasonable way to proceed...but allowing wholesale re-zoning is a disaster for all of us.

I urge deep consideration of the legislature's actions and the potential consequences. It's no secret the awful things being said to the media about tourists is already taking a terrible toll on island life. We can all do better!

SB-2919-HD-1

Submitted on: 4/1/2024 2:36:51 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rick & Nancy McMahon	Individual	Oppose	Written Testimony Only

Comments:

Short term rentals should be an available option for an occupied homeowner/resident and as an alternative for visitors to the islands. However, Non-resident/investors should NOT be allowed to rent short term as they add to a shortage of available rentals and contribute to escalating property market values. The notion the TVU's cause homelessness is unfounded and ill gotten. Local homeowners and families have to rely on subsidizing their limited or lost income due to retirements, divorces, unemployment, medical expenses, emergencies AND the highest cost of living in the country. We believe vacation rentals should be permitted, regulated and taxed BUT not eliminated nor phased out completely. What world do proponents of this bill live in? Have they not traveled off island? You can go almost anywhere and enjoy staying in an ABNB or VRBO, notwithstanding the big hotel companies like Marriott and Hilton offering home stays worldwide and NOT all in resort zoned areas. The state legislature and city officials need to see the compromise that serves ALL of the constituents of the state not just those that lobby with the deepest pockets and cater to those that stomp their feet the loudest. There is room and money to serve all the interests of the people of Hawaii. We live in a state heavily reliant upon tourism where residents, the city and state can coexist and benefit from this vitally significant economic cottage industry the rest of the world has embraced, reckoned with and found financial and cultural compromises. The state has a financial responsibility to make it work, make it right and make it fair so that residents and visitors alike can show ALOHA

Dear Representative Yamashita, Chair, Representative Kitagawa, Vice Chair, and members of the Committee:

I **OPPOSE** SB2919 for the following reasons:

I am James Van Der Mark. Thank for the opportunity to present my reasons for opposition to this bill. My family are owners of unit E 203 in Papakea Resort on Maui.

- Papakea is an ocean-front property, completed in 1978 and consisting of 364 individual condominiums.
- Papakea was initially marketed and sold as a legal vacation rental property before any zoning restrictions limited transient vacation rentals in apartment zoned properties.
- Papakea owners have been operating legal vacation rentals for almost fifty years.
- Papakea has never been workforce housing so Papakea is not an example of a property that converted from workforce housing to transient vacation rental use.
- The majority of units at Papakea are under 600 square feet and the property has limited parking.
- Papakea is not in a residential neighborhood and is located directly adjacent to a long stretch of hotel-zoned properties and multiple commercial properties.
- Unlike apartment buildings designed for long-term residential use, Papakea has a front desk, an activity concierge, shared activity space, and numerous other common resort amenities.
- Papakea's resort operations require extensive maintenance which makes the monthly maintenance dues very high, compared to properties designed for long-term housing with lower maintenance dues. Unsubsidized long-term rental rates do not come close to covering the maintenance dues, special assessments, mortgage payments, property taxes, and insurance which prevents Papakea from ever becoming a sustainable long-term housing option.
- Governor Green noted that "we don't need new legislation to take initial action. We can start by encouraging and supporting the counties to enforce the laws and regulations we already have on the books."
- The counties already have authority to regulate illegal short-term rentals that are disrupting residential neighborhoods.
- This bill does nothing to solve the problem of illegal short-term rentals.
- This bill would create the perception of authority for Maui County to retroactively ban the primary purpose that Papakea was designed for and built in 1978.

- Owners purchased condos at Papakea with the reasonable expectation that short-term rentals were legal based on nearly 50 years of Maui County ordinances, Section 46-4 of the Hawaii revised statutes that protect vested use, the Hawaii Constitution, and the US Constitution.
- In reliance on the Maui County ordinances, Hawaii state law, and constitutional protections, owners invested in costly renovations, furnishings, and long-term financial commitments such as mortgages that make any phase out of short-term rental use unconstitutional without payment of just compensation.
- Long-term rental is not an economically viable use at Papakea given the costs of maintaining and insuring an ocean-front property.

Papakea's Contributions to the Community:

- Papakea's resort operations provide employment for approximately 35 local resident employees; some have worked at the property for over 15 years; some started in entry-level positions and worked into supervisory roles.
- Papakea supports a wide variety of local trade professionals including pest control, HVAC, plumbing, electrical, and tree trimming.

Individual Owner Contributions to the Community:

- Many small businesses owned and operated by local residents from the Maui community rely on Papakea short-term rentals including housekeepers, handymen, on-island agents, and contractors. These service providers set their own rates, work hours, select their own clients, work conditions and standard operating procedures. Shutting down short-term rentals at Papakea means putting these folks out of business with fewer employment opportunities.
- Papakea STRs support the State of Hawaii and County of Maui through payment of property taxes (many at the short-term rental rate), Transient Accommodations Tax, General Excise Tax, and Maui Transient Accommodations Tax.
- Papakea guests support many small businesses on the island including restaurants, food trucks, tour operators, state parks, the national park, and shops.
- Papakea has a high number of returning guests that have been visiting Maui for years and have deep connections with the community.

For the reasons stated herein I OPPOSE SB2919 and urge the committee vote no on this matter.

SB-2919-HD-1

Submitted on: 4/1/2024 2:37:49 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elise Travis	Individual	Oppose	Written Testimony Only

Comments:

Aloha, My name is Elise Travis and I own a condo with my husband Bruce Travis at The Palms at Wailea Condos in Wailea. We have owned it since Oct. 1997.for 27 yrs. We have been residents since 1979. We purchased it for our retirement and to leave it for our daughter. We are senior citizens. This was never a condo to flip and sell. Our taxes have gone way up. We manage it ourselves. As longtime residents of Maui this is very unfair to us. The Palms at Wailea condos has been grandfathered in for short term rentals because it was built prior to 1991. These condos have no storage space and small closets. They are not made for long term rentals. They are located in Wailea Resort. We pay large HOA fees every month. I would hope you would consider owners who have been longtime residents and made their investments here in Hawaii a break also on taxes. We are paying the same as outside owners . We pay our GET tax and TAT tax which are also very high for owners who live on Maui and long time residents. Please do not phase out our short term rental that we have had for so many years and is our retirement and want to keep it in our family. Mahalo, Elise Travis

SB-2919-HD-1

Submitted on: 4/1/2024 2:39:18 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kendall Roberg	Individual	Oppose	Written Testimony Only

Comments:

My family and I are opposed to SB2919 SD2 HD1 . We own a coffee farm in Holualoa and our Ohana (which we rent as an Airbnb) is the only way our farm survives. My wife is a teacher at Holualoa Elementary and we have two kids. Without or Airbnb, we would have to sell our 7 acre farm and live somewhere else. Our house would then probably be bought by a super rich person would only be on island a few times a year.

Times have changed and if you want teachers and farmers who contribute to the community, you need to allow them to rent their homes out to subsidize their income.

If you eliminate all the short term vacation rentals, you will loose tons of tax money. In 2023, I paid \$10,935 in TATs & GET for my ohana which I rent out. That is alot of money that the county & state get to spend. And thats just for my ohana. If am banned from renting this short term, that money would disappear. There is no tax collected from long term renters.

Has anyone actually done the math on how much tax revenue the county and state will lose if you ban these Airbnb's? How will you replace this revenue?

We pay our taxes and follow the laws, please don't destroy my family's livelihood.

SB-2919-HD-1

Submitted on: 4/1/2024 2:39:46 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sam Engel	Individual	Oppose	Written Testimony Only

Comments:

Honorable Representative Yamashita, Chair, Honorable Representative Kitagawa, Vice Chair, and members of the Committee:

This is Sam and Kathryn Engel and we are the owners of a condominium at the Papakea Resort in Honokowai Maui. We oppose the adoption of SB2919. We have previously submitted testimony regarding the unique circumstances of our particular property and why it should be exempted from the authority the legislature is proposing to grant the County of Maui.

We are writing to you now to request that you vote “no” on SB2919. Our testimony this time is that , while we generally support home rule at the local level rather than that imposed by the State, in this particular instance, SB2919 is bad housing and land use policy. Like many well-intended, but poorly thought-out government policies, it is overly broad and will result in unanticipated problems.

Background

Our condominium complex was constructed and permitted between 1975 and 1978. It was originally developed as a low-density, low-rise condominium project designed to be vacation homes. This was in keeping with Maui’s general plan at the time which was to provide a variety of accommodation options for Maui visitors; with our complex serving as a mid-range option between the high-end resort hotels and the traditional hotels and motels (such as the Pioneer Inn and Travelodge) serving island visitors. Further, the design of our project deliberately separated it from the residential areas of Honokowai, so as to minimize potential visitor impact on any residential neighborhoods that might be nearby. Papakea has quietly fulfilled this General Plan objective for nearly 50 years, operating quietly in the community, while providing jobs and employment!

Problem #1 with SB2919

The bill is overlay broad and circumvents the intent of the District Court Decision in Hawaii Legal Short-Term Rental Alliance v. City and County of 3 Honolulu, No. 22-cv—247-DKW—RT (D. Haw., 2022), which was to prevent local government from depriving property owners of rights granted under state authority through local zoning ordinances.

This broad approach unfortunately would include our condominium complex, which was APPROVED BY THE COUNTY TO BE BUILT AND OPERATED as a short-term residential rental property. Properties approved for construction and occupancy as short-term rentals should be exempted. As now written, there is nothing to prevent the counties from taking a slash and burn approach to all short-term rentals.

It is reasonable to expect that the Courts would continue to take a similar stance for those properties, like Papakea, which have ALWAYS been permitted and certified for occupancy as short-term vacation rentals. This is where the statute is overly broad. If it focused solely on those properties which had been converted over time from residential dwelling units to short-term rentals, the statute might withstand legal challenge.

Certainly, the County might want to rescind permits granted for conversion of residential dwelling units to short term rentals, and while we don't appreciate any attack on legitimate housing operators, this may be the best compromise approach.

It would seem that the first priority of the legislature would be to compel the County to first deal with this part of the problem, that is, IDENTIFYING HOUSING THAT WAS CONVERTED FROM RESIDENTIAL USE TO SHORT-TERM RENTALS, rather than focusing on housing that was lawfully developed as short-term rental units.

Problem #2 with SB2919

The second problem with SB2919 has to do with the timing of the legislation and its failure to hold counties accountable to deal with housing issues generally.

This bill was only introduced after the loss of housing caused by the Lahaina and Kula fires. The shortfall of moderately-priced housing on Maui existed long before the situation was made worse by the tragic fires. Housing advocates have been demanding that this housing need be addressed long before the tragic Maui wildfires.

The housing deficit is a problem that has existed for many years, years during which Maui County continued to approve construction of hundreds, if not thousands of additional short-term rentals, regardless of the zone in which they were developed, while neglecting to incentivize the construction of low and moderate income housing. If short-term rentals have been such a problem why has Maui County continued to encourage their development?

It is neither ethical, or legally justifiable to pursue the phase-out of some short-term rentals when the dust has not yet settled from the construction of the latest batch of short-term rentals.

Summary

The housing shortage is real, and it is a problem that has been developing for many years. There are many contributing factors to it. Everyone, including the mom & pop owners of short-term

rentals wants the problem to be resolved. The solution involves a change in Maui County housing construction policy that focuses on residential construction rather than more and more resort construction. If SB2919 is passed, it should be amended to focus solely on granting authority to phase out short-term rentals that have been converted from residential dwelling units, and not those that were constructed for this purpose. If that amendment cannot pass, then the bill should be voted down in its entirety.

Thank you for the opportunity to comment.

SB-2919-HD-1

Submitted on: 4/1/2024 2:42:04 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
pat weber	Individual	Oppose	Written Testimony Only

Comments:

Your ACTIONS have CONSEQUENCES Maui does not want.

1, This bill will put many Maui residents out of work: cleaning businesses, office staff, managers, and rental businesses of 13,744 legal short-term rentals. These tourists will not be coming to Maui because they cannot afford the high price of hotels that support your destructive ideas.

2. It will hurt small businesses and restaurants that these average-income tourists support.

3. You will lose tax money that has been a top funding source of affordable housing.

4. How many people can you house in our Kihei Kai Nani 621 sq. ft. condo? Use the taxes we and cleaning businesses are giving you for small homes and trailers for displaced families.

5. What happens to our renters from So. Dakota and Canada who have bought their airplane tickets for next Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. trips to Maui?

Many owners know nothing about this bill and have not had the opportunity to comment. We learned of it from our cleaning lady. Please let counties enforce the laws they have.

Get small homes and trailers that would be better than our 621 sq. ft. condo which will sit empty when we are not there. DON'T SHOOT YOURSELF IN

THE FOOT! THINK ABOUT REAL POSSIBLE CONSEQUENCES, not your dream consequences.

SB-2919-HD-1

Submitted on: 4/1/2024 2:42:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patrick Chandler	Individual	Oppose	Written Testimony Only

Comments:

The home we live in we rent out part of the home on a short term basis. As a hosted rental, the ability to accommodate the needs of those that have special dietary restrictions or have pets has been a blessing to them. Also without the revenue from our home we would not have been able to have recovered from economic hardship as quickly as we have. Please vote no on SB2919. Thank you!

SB-2919-HD-1

Submitted on: 4/1/2024 2:42:31 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kim Marie Lopez	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am a 30 year resident and home owner on Maui. During these years employment was all tourist based. Jobles now and until tourism comes back up. Please oppose this bill as I am opposed to this because it is a tactic to negatively impact tourism, job opportunities and our economy as a whole. I am oppose bill SB 2919. Please do not allow this bill to pass. I will either lose my home or be forced to sell and move off Maui without any job opportunities to pay my bills.

Aloha,

Kim Marie Lopez

SB-2919-HD-1

Submitted on: 4/1/2024 2:43:26 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Neal Edward Halstead	Individual	Oppose	Written Testimony Only

Comments:

Aloha

I am OPPOSED to this version of the bill. Previous versions which removed vacation rentals from residential and agricultural zones was fine by me

But, the amendment to remove vacation rentals from all zones, including zones specifically set up for vacation rentals goes too far.

Kindest regards

Neal Halstead

SB-2919-HD-1

Submitted on: 4/1/2024 2:43:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Leung	Individual	Oppose	Written Testimony Only

Comments:

Short term vacationa rental bring in more type tourists, for exemple: remot job workers would llike to stay 2-6 weeks, these type of people they will prefer their room to have self-parking, kitchen and wash & Dryer since they are staying longer. Bring in more tourists that means bring in more moneys that support local business, such as retailm restaurants, activity providers and any other type of service providers in Hawaii.

We need more tourists, we need more business and we need more opportunity, please do not limited them,we have already suffered enough

SB-2919-HD-1

Submitted on: 4/1/2024 2:43:46 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Martha Stefanowicz	Individual	Oppose	Written Testimony Only

Comments:

I want to address the attempt to phase out "short term" or "transient" rentals between 30-180 days. For the purpose of taxes, short term rentals are already defined this way, so I can only assume the intention is to further restrict the ability to rent *at all * for less than 180 days. This would be an act of extreme government overreach into personal property rights. And I have to wonder, what specific problem are you trying to "correct"? It seems to me that the central issue is influence from the hotels / big corporations because the rules already in place are already addressing other city concerns - and would do so further if actually enforced. Is it really your job to make sure billion dollar multi- national corporations make money v. local homeowners?

I have followed every additional restriction as they have changed, and I do not have a problem with the 30 day minimum to keep neighborhood streets from become resort zones. I understand that. I rent my house for a minimum of 30 days on occasion and pay taxes accordingly. I have rented to military / government families who are relocating and do not want to stay in a hotel with multiple kids and a dog, I have rented to families who could work from home and just want to do so in a beautiful location for a month, and I have rented to a group of four professionals who were doing the same. None of these travelers were traditional "tourists" and none of them would have chosen to come and stay in a hotel as an alternative. People don't stay a month in a hotel – they stay a week! The 30 day limit already makes that distinction between short term vacationer and temporary resident/ temporary housing. They bring revenue into the community, supporting restaurants, tourist activities, rental cars, home maintenance, pool care, airlines, cleaners, construction and repairs... The only thing it doesn't support is the hotel industry.

I personally like the flexibility of leaving our rental furnished and being able to clean and maintain, or use it ourselves in between rentals. We have two living spaces on the same property and are almost always present when we rent.

We have invested literal blood, sweat, and tears into our home, and a massive amount of work, savings, and effort to purchase it in the first place, so to be further restricted on how we can rent our own property would be a massive insult to ourselves and other hard working homeowners across this island. Its not about monthly income; I can rent it long term for the same price after taxes, your taxes have already leveled that "playing field" but its about flexibility, being about to rent the home when we want to or if we need to.

Address specific problems with enforcement of existing regulations rather than adding another layer of bureaucracy to a failed system. What's next? You can't rent your property at all? A

property that you purchased when 30 day rentals were allowed? When does this creep of control stop? Where is the line? When big corporations and the government are allowed to make money but individuals aren't?

Here's the solution. Keep the 30 day minimum. Take the tax money. Let the rental platforms collect it for you. The state will take in millions more and you can use it to address the perceived issues driving these proposed changes. Give hotels a tax break if you insist, just don't infringe on individual property rights any more than you already have.

SB-2919-HD-1

Submitted on: 4/1/2024 2:47:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rachel Panteleeff	Individual	Oppose	Written Testimony Only

Comments:

Aloha To Whom It May Concern:

Please vote NO on SB2919,SD2,HD1. I am a single 57 year old woman and I need the income from my vacation rental to pay the high cost of living in Hawaii as well as paying my ever increasing property taxes. This property is also my primary residence. Thank you for your consideration.

Mahalo,

Rachel Panteleeff

SB-2919-HD-1

Submitted on: 4/1/2024 2:47:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vicky Olson	Individual	Oppose	Written Testimony Only

Comments:

Honorable Hawaii State Legislature,

Please oppose SB2919

My family and I have been coming to the islands for years. First off as visitors until we decided to purchase our first condo back in 2016. We are legally licenced and renting out our home to offset the high costs of owning. This led us to contributing to the local and state economy through County and state taxes and jobs.

The removal of short-term Vacation Rentals from Hawaii tourism would be a true hardship and detrimate to us and to the state's economy for sure.

I have research and know that short-term rentals brings in approximately \$6 billion and provides over 46,000 jobs per the 2020 study done by Hawaii Tourism authorities.

Short-term Vacation Rentals will not be the only ones impacted...but also car rental companies, tour companies, tour operators, restaurants, and all local retailers.

PLEASE...let's work together for a solution to Hawaii's housing shortage without pentalizing all others who will be impacted by this bill.

Mahalo,

Jim & Vicky Olson

SB-2919-HD-1

Submitted on: 4/1/2024 2:47:21 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jon Darrow	Individual	Oppose	Written Testimony Only

Comments:

Aloha, Chair, Vice Chair and Committee,

My name is Jon Darrow and I have property in Waikiki.

I'm opposed to bill 2919.

If this Bill passes there will be no more month-to-month rentals in Hawaii. This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing. Many only have a need for 30 day rentals, but may stay longer if they wish.

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends of which we get requests for.

Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

In addition, there will the impact be to the many residents that are employed by short and mid term rental agencies. They employ agents, IT personnel and provide jobs for cleaners and maintenance workers.

I also believe it is unfair for those whose condo units are side by side or on the same streets as hotels that can rent by the day.

Thank you for hearing my concerns.

SB-2919-HD-1

Submitted on: 4/1/2024 2:48:01 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Wilkinson	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I am a full-time resident of Hawaii Island and local homeowner for the past 7 years. I am fully employed and also volunteer in several capacities in my community. I have raised 4 boys who are now out of the house. I have a long term rental unit in a detached bedroom and also rent two rooms in my home as a short-term rental (where my kids stay when they visit). I do not believe giving the counties the ability to take this use away is good for the long term community. Instead the focus should be on removing barriers to building sustainable and attainable housing for the future.

According to the Hawaii Tourism Authority, more than 2.3 million travelers to the islands in 2023 were NON-vacationers – these are folks who are here for business or traveling for work, like nurses and doctors or construction workers. They are government employees, military and emergency personnel, students, and teachers. They are our neighbors seeking medical care, elected officials traveling to meet constituents, or even family traveling to visit Ohana.

Of these non-tourist travelers 27% of them stayed in mid- or short-term rentals, which according to HTA are on average 25% less expensive. And while many *may* qualify for kama’aina discounts, many do not, and most will need cooking facilities, need to be close to the hospitals or schools or offices they work at and or near the family they are supporting or visiting. That is 610,000 thousand people - people who share our home as residents or come to provide us services or perform work here. These folks – our neighbors – earned and spent \$1.3 Billion dollars in the community – not in resort zones.

If this type of housing is phased out in the middle of a housing crisis, the cost of mid-term housing will increase exponentially and we will no longer be able house many of our locals, attract skilled workers to come practice in our hospitals, teach our children, rebuild Lahaina or help build the housing that needs to be created. What is currently a housing crisis will become an even bigger workforce crisis which will affect all our communities and the wider economy.

Our counties already have the power they need to ease much of this regulatory-induced housing crisis. We are hanging by a thread, please protect this housing choice – at least for now. Our economy needs this housing, our workforce needs it, and locals need it until we can offset the potential revenue and housing loss with viable, sustainable alternatives.

Thank you for the opportunity to testify.

SB-2919-HD-1

Submitted on: 4/1/2024 2:49:25 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Margaret L H Aurand	Individual	Oppose	In Person

Comments:

SB 2919 should be amended. The **amendment should read:**

Notwithstanding any other provisions in SB2919 D1, any zoning changes made by the State or individual counties regarding changes of use for residential properties shall not apply to single family homes and any other buildings on the same property any of which are occupied by the owner as the owner's primary residence. Such owner-occupied properties may be rented for any time period. Counties shall follow the State Landlord-Tenant Code (HRS 522) and shall establish a registration regime for owner-occupied short-term rental properties.

Short-term renting by hosts who live on their rental property is a wholesome, grassroots, mom and pop cottage industry. The tourist income they generate, their taxes and operating expenses all stay in O'ahu's economy. **and until legislators are willing to abide by state law, short-term rental hosts outside the resort area on O'ahu are facing discrimination and a taking of their property.** At present, there are many, mostly elderly and fixed income folks who live in one part of their dwelling and rent the rest. They NEED short-term rental income to live in retirement. These **humble people are terrified of their government.** Most have been threatened by the Department of Planning and Permitting's outrageous \$10,000 per day fines. To avoid the fines, hosts must alter their online listing so that their properties do not appear in online tourist searches for stays of fewer than 30 days. Very few visitors have the time to stay here for 30 days, never mind the money a whole month would cost. This slowly deprives hosts of most of their income. My income has been slashed by 74%. Could you continue to live in Hawaii on 24% of what you are making now?

Many of the hosts targeted by the DPP are going out of business, selling family homes and leaving the Islands--priced out of paradise. When citizens are terrified of their government, SOMETHING IS VERY WRONG.

I am risking everything, standing up to testify for constitutional and fair treatment for a thousand or more hosts in my same situation. Fighting these punitive, discriminatory and harmful bills when I should be enjoying retirement after a lifetime of hard work is draining my energy and challenging my health. I am hoping legislators will see the harm that is being done and help us elderly hosts.

Any vote to forward this bill puts into effect the unconstitutional Honolulu Ordinance 22-7 and will have the effect of economically exiling our elderly owners—our kūpuna—from their island homes by taking their livelihoods. Taking away their livelihoods is a **cruel misuse of legislative power** and will cause great hardship.

It's appalling that the previous committees moved this bill forward after hearing less than a dozen testimonies (30%) for the bill and many times more oral testimonies (70%) against the bill, not to mention one thousand pages of written testimony against the measure. THE WILL OF THE PEOPLE IS OBVIOUS. It seems that we trust you and elect you to a position in which you have power over our lives and you turn around and pass a bill that may well destroy us.

Please include the enclosed amendment or kill this bill.

Respectfully and with Pono,

Margaret L H Aurand

SB-2919-HD-1

Submitted on: 4/1/2024 2:52:52 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Hall	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha Respected Members of the Senate,

Please review this **LEGAL NARRATIVE IN OPPOSITION TO SB2919:**

UNCONSTITUTIONAL TARGETING OF TRANSIENT ACCOMMODATIONS

Senate Bill 2919 (SB2919) proposes the amortization or phasing out of nonconforming transient accommodation uses in residential and agricultural zones. This legislation undermines the fundamental property rights of landowners under the United States Constitution and the Hawaii State Constitution, establishes legal ambiguity, and contradicts established principles of Hawaiian land use law.

Argument I: SB2919 Grants Unreasonable Regulatory Power

SB2919 unfairly singles out transient accommodations for future amortization within residential and agricultural zones. This targeted approach is illegal and discriminatory and will lead to arbitrary treatment and abuse of property owners.

Argument II: SB2919 Conflicts with Established Precedent and State Law as The Hawaii Supreme Court has consistently upheld the right to maintain nonconforming single-family and duplex dwellings, extending to all residential uses, not only transient accommodations. This violates Constitutional Equal Protections Laws. Hawaii Revised Statutes § 205-16(a)(3) (1993) exempts existing single-family and duplex dwellings from conforming to zoning changes, directly contradicted by SB2919 targeting existing, lawful uses (HRS § 205-16(a)(3)).

Argument III: SB2919 Violates the Takings Clause and Due Process

SB2919 authorizes the amortization of existing transient accommodation uses, effectively forcing owners to cease a lawful use. This constitutes a taking of private property without just compensation, violating the Fifth Amendment's Takings Clause (U.S. Const. amend. V). Similarly, Article I, Section 4 of the Hawaii State Constitution prohibits the "unreasonable taking of private property" (Hawaii Const. art. I, § 4). SB2919 violates due process under the Fourteenth Amendment (U.S. Const. amend. XIV) by creating illegal uncertainty for landowners regarding the future use of their legally protected property rights.

Argument IV: SB2919 Undermines the Agricultural Way of Life

Article XI, Section 3 of the Hawaii State Constitution mandates the state to "conserve and protect agricultural lands" (Hawaii Const. art. XI, § 3). SB2919 conflicts with this provision by allowing the amortization of existing agricultural operations utilizing transient accommodations. Hawaii Revised Statutes § 205-4.2(d) (1993) emphasizes the state's policy to "encourage the continuance and viability of agriculture," undermined by SB2919 potentially forcing the closure of established agricultural businesses.

Argument V: SB2919 is a Direct Violation of the 14th Amendment of the US Constitutions Ex Post Facto Law

Article I, Section 10, Clause 1: "No State shall enter into any Treaty, Alliance, or Confederation... or pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligation of Contracts." In addition to prohibiting states from enacting bills of attainder and ex post facto laws, the 14th Amendment of the US Constitution seeks to protect private property rights from state interference by limiting the states power to enact legislation that alters existing contract rights. Amendment Fourteen of the Constitution Contract Clause makes it illegal for any State to pass any Law impairing the Obligation of Contracts retroactively.

Argument VI: SB2919 is a Direct Violation of the 14th Amendment of the US Constitution's Contract Clause that provides that No State shall pass any Law impairing the Obligation of Contracts. The Fourteenth Amendment's Contract Clause further prohibits States from passing laws impairing the obligation of contracts. Supreme Court interpretations of the 14th Amendment have broadly restricted any State's authority to enact laws that attempt to breach, modify, or regulate existing contracts, SB2919 directly contradicts these protections as confirmed by the United States Supreme Court.

When entering into a purchase contract, potential buyers rely on clear legal framework to assess the long-term viability of their financial and property investment and the state cannot interfere with this right.

Argument VI: SB2919 introduces a cloud of uncertainty, leading to a substantial decrease in property value and directly violates Article I, Section 10, Clause 1 of the 14th Amendment of the US Constitution.

In addition to prohibiting states from enacting bills of attainder and ex post facto laws and contract interference, the Constitution protects private property rights from state interference by limiting the states power to enact legislation that alters existing contract rights.

In conclusion, SB2919 is a legal minefield, and constitutes clear violations of the fundamental property rights of landowners, established legal precedent, violates ex post facto laws, basic contract law and the Hawaii State Constitution's protection of agricultural practices. SB2919 prohibits legally protected clear and predictable regulations for all property owners in Hawaii.

SB2919 cannot legally be enacted as it is not only fundamentally flawed on many levels, it is illegal within the US Constitution, Hawaii Constitution, and under Hawaii Law.

SB2919-SD2 CANNOT LEGALLY MOVE FORWARD.

Respectfully and with Aloha,

Lisa Hall

SB-2919-HD-1

Submitted on: 4/1/2024 2:54:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kai Nishiki	Individual	Support	Written Testimony Only

Comments:

SUPPORT with NO reservations.

SB-2919-HD-1

Submitted on: 4/1/2024 2:56:16 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cedar Kehoe	Individual	Oppose	Written Testimony Only

Comments:

Opposing SB2919

Hearing Date: April 2, 2024

1. am a senior and I used 30-day rentals to afford my home (in a residential area) and you are taking that away and are trying to force me to rent long term. I will **never** rent long term; keep my rooms for the adult offspring to visit from the mainland and I will never change that. You are forcing me to keep my rooms empty. After requiring 30 consecutive day rentals of the industry my unit are mostly empty as so many units on the island now rent for 30 days (they used to rent for less than 30 days but they blocked a month) but the enforcement efforts forced all those people to now rent 30 consecutive days. Now as a senior my income has dropped significantly. Renting my unit did not damage my residential area as I live here there are no parties; what I offered is important to the islands economy.

I once offered affordable short-term rentals to these types of guests here on island: people building the rail system, nurses, potato farmers, military people and emergency contractors that needed livable accommodations other than a hotel room. This new law will limit the affordable, furnished temporary housing market for these residents and important visitors.

Changing rules after I purchased my home is not fair to seniors like me who live on site and who purchased assuming they could rent. If you want to hurt the economy this bill is guaranteed to do just that.

Cedar Kehoe

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SB-2919-HD-1

Submitted on: 4/1/2024 2:59:15 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Stone	Individual	Comments	Written Testimony Only

Comments:

My Wfe and I at Senior Citizens, we saved for years to liv in Hawaii. We needed some income to supplement social security so we purchased a property which had two existing Short Term Transient Rentals. We spend our days maintaining these so our customers can enjoy their stay. Neither of the two rentals would be acceptable as Long Term Rentals so, please do not take our only source of income away. Thank you.

SB-2919-HD-1

Submitted on: 4/1/2024 2:59:28 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia Cadiz	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE this measure as it is not the answer to housing needs on Maui. STVRs provide sorely needed income to the State and County budgets. In fact over 40% of our STVR's expenses are taxes - property, TAT and GET taxes.

STVRs boost the state's economy and increase the resources available to help Maui recover. Rezoning is a double edged sword. You may think you are providing housing, but what if the economy is so battered that there are no jobs?

Expanding zoning rights to counties is a false solution. Please OPPOSE this bill.

SB-2919-HD-1

Submitted on: 4/1/2024 3:02:02 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cynthia Vinson	Individual	Oppose	Written Testimony Only

Comments:

Dear Sirs:

Your bill to restrict or eliminate STR from Maui will have disastrous consequences for two groups in particular:

1. Residents (voters) of West Maui who make their living as housekeepers, construction (remodeling) workers, handymen, maintenance crews, gardeners, etc., in support of STR units will be unemployed .

As owners of a busy STR in West Maui, we employ several full and part- time residents, who make \$40-\$50/ hour doing jobs that are more highly paid and offer more schedule flexibility than traditional hotel jobs. This offers opportunities for young parents in particular to work around the school schedules of their children.

2. A huge portion of the multi- generational Families who visit Maui and are often return visitors will no longer be able to afford to visit Maui because of the high cost of providing multiple hotel rooms for family groups. Most families require both kitchen facilities and in- room laundry facilities, both of which are included in STR rentals, but not in hotels.

This is not the solution to your housing problems! Use the billions in visitor tax income- partly generated by STRs- to create the necessary housing in Maui.

Most Sincerely,

William and Cynthia Vinson

Owners, Sands of Kahana 384

SB-2919-HD-1

Submitted on: 4/1/2024 3:03:26 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
courtney o'kief	Individual	Support	Written Testimony Only

Comments:

Dear Chari Yamashita, Vice Chair Kitagawa, and Honorable members of the committees,

I am writing in strong support of SB2919, SD2 HD1, which clarifies our counties have the clear right to phase out short term rentals. STR's exacerbate the housing crisis we are in and we need more housing for people of this community that are living here, working and contributing to this community. This allows for a thoughtful phase out period of STR's.

Thank you

Courtney O'Kief

SB-2919-HD-1

Submitted on: 4/1/2024 3:04:15 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anita Schwalbe	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee,

We have owned and LEGALLY operated short term rental condominiums in Maui for over a decade. When we purchased those properties, we did so with the knowledge (and the County's blessing) that we could operate these properties as short term rentals. SB2919 allows the county to restrict and/or phase out short term rentals, depriving us of our income source (which is personally, our largest source of income) WITHOUT DUE PROCESS RIGHTS.

In addition, retrospectively rezoning entire swaths of housing/residences to disallow short term rentals will DEVALUE these properties, thus further significantly ERODING the real property TAX base of the state. (Our 3 separate condominium units in Maui, provide \$34,000 in Maui County property taxes for local government, which would be substantially decreased if short term rentals were disallowed.)

In addition, our short term rental business contributed \$29,354 in tax revenue (TAT and GET) to the state of Hawai'i and an additional \$8,483 in TAT to Maui County in the year 2023. (And this does not include the additional 0.5% GET surcharge implemented for Maui County in 2024.) In addition, we employ 3 separate agencies for cleaning services amounting to \$16,388 of yearly income to our local businesses. (This does not even include additional money we spend for repairs, maintenance, etc.) In summary, we are just one small operator of Short Term Rentals (out of 13744 LEGAL Short Term Rentals on maui) and yet contribute almost \$72,000 in direct taxes to Hawai'i/Maui and over \$16000 to local employment. Short term rentals provide 40% of the real property tax revenue for the county and represent 18% of the county's \$1.7Billion budget. Eliminating short term rentals would be severely detrimental to Hawai'i's tax base as well as our livelihood and the local economy.

Speaking of local employment afforded by Short Term Rentals: Our cleaners live exclusively on income generated from cleaning Short Term Rentals. They are paid good wages, they create their own schedules, and

they work near where they live, reducing commute time. Passage of SB2919 has the potential to bankrupt their businesses and devastate their livelihoods.

Mid and Short-term Rentals also accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits,

traveling nurses, emergency contractors, temporary military & students, our family & friends. Events like the Lahaina Fire displaced thousands of residents. Where will residents find temporary, furnished housing if the industry is further decimated?

Let the counties enforce the laws that they already have.

I implore you to VOTE NO on SB2919.

Anita Schwalbe and Jim Schumacher

SB-2919-HD-1

Submitted on: 4/1/2024 3:04:20 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Youssef Ben Youssef	Individual	Oppose	Written Testimony Only

Comments:

Hi

Thank you for the opportunity to testify at this hearing. I believe that this bill will not help folks impacted by the Lahaina fires to get a decent living on the island. The issues that we face in terms of lodging are structural and cannot be easily mitigated by simply obliging folks who own short term rentals to surrender their properties. The local and state government needs to invest in decent long term solutions to provide the suitable lodging for the needy families.

Owners of short term rentals such as myself have invested our lifetime savings to be able to afford these properties. We work very hard to provide a great service to the community and employ a decent number of local services. All of these services will be discontinued with the cessation of any short term business.

The value of the property we acquired was drastically higher than average because of the STR license. Removing this right to host visitors to Maui and participate in its economy will literally make many families bankrupt. We have mortgages to pay and various taxes considerations to take care of that were totally based on the short term status of the property.

On another level, many of us use the property for a decent time of the year. We cannot provide the property for a long term rental and use it for our own purposes at the same time.

Thank you

SB-2919-HD-1

Submitted on: 4/1/2024 3:04:46 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jenell Williams	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Jenell Williams

SB-2919-HD-1

Submitted on: 4/1/2024 3:06:19 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cloe Cadiz	Individual	Oppose	Written Testimony Only

Comments:

I am a young person born and raised on Maui. When my parents and I bought my one and only condo, we were honored that we would have a say in the tourism industry as locals. Local families that own, manage, maintain, and clean STRs are the diversity that the Hotel-dominated hospitality industry on Maui needs. The majority of owners of the units at my conodminuim are also local families. My job managing my STR has allowed me many oppurtunities that my peers cannot find in other industries or corporate hospitality jobs in Maui:

1. I am able to stay in my home, where I was born and raised.
2. Owning my business gave me flexibility to be a caretaker for my kupuna.
3. I am supporting myself through school at UHMC to someday be a Dental Hygienist.
4. I genuinely love my job. I feel empowered that I have my own ways of shaping sustainable tourism in Maui. I strive to host with excellence and Aloha.

If I lose my ability to host, I would be unemployed. I would have to pay thousands out of pocket in guest cancelations.

To blame the housing shortage on STR is wrong. Let's continue using the high amount of revenue that the County earns from STRs to build more housing, rather than eliminate the income source and still not have permanent housing solutions.

SB-2919-HD-1

Submitted on: 4/1/2024 3:07:16 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danny Lisa	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing to oppose SB2919,

We have owned a one-bedroom condominium in Ma'alaea, Maui since 2012. We have rented it to short-term renters since we bought it. We also use our condo for personal stays and plan to live there part of the year when we retire in less than two years.

We wouldn't be able to afford to keep our beloved condo if we didn't rent it to short-term renters. Between the property taxes and association dues, it would just be too expensive to keep. Please don't vote for this bill!

Renting to vacationers allows travelers to come to Hawaii at an affordable cost because hotels are so much more expensive. If short-term vacation rentals aren't allowed, many people couldn't afford to visit. I believe there would be fewer visitors to Hawaii.

By renting our condo short term, we are contributing to the county and the state by paying our property taxes and through the TAT taxes we pay each month. We are also contributing to society by helping to employ many people on Maui. This includes our property management staff, our housekeeper, and various people that do work for us, such as plumbers, electricians, and handymen.

Renting our condominium short-term is a large part of our retirement income plans. To lose this income would hurt us greatly in retirement, which is less than two years away.

Lastly, if this bill passes and short-term rentals are not allowed, many owners will have to sell. This would likely drive the values of the condominium market down, which would impact property values and ultimately property taxes.

Thank you for your consideration.

Warm regards,

Danny Lisa

SB-2919-HD-1

Submitted on: 4/1/2024 3:09:12 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nick Adler	Individual	Oppose	Remotely Via Zoom

Comments:

Testimony Against the Proposed Bill on Transient Accommodations

Aloha,

I am writing to express my strong opposition to the bill concerning the phasing out and amortization of transient accommodations. As a property owner who relies on the income generated from a room in my home, this bill threatens our financial stability and infringes on my rights as an American to utilize my property as I see fit. The proposed legislation to empower counties to phase out transient vacation rental units in any zoning area disregards the economic realities faced by homeowners like myself across the islands. The ability to rent out part of my property is not merely a business venture which is taxed through general excise tax, state TAT, county tat, state tax, and federal tax; it is a necessity that helps me offset my mortgage payments and maintain my residency in one of the most expensive states to live in the country. It also allows a place for extended family to stay when they visit us for a couple months throughout the year, which further bolsters the economy through spending within the local community. This bill, by imposing such restrictive measures, jeopardizes my financial well-being and undermines the principles of property rights and economic freedom. Furthermore, the bill's intent to expand the scope of the transient accommodations tax to include various shelters and vehicles with sleeping accommodations appears to be an overreach that could have unintended negative consequences on the broader economy, affecting tourism and the local businesses that depend on it. I urge you to consider the detrimental effects this legislation, and other similar overreaches, could have on property owners, the local economy, and the principle of individual liberty. Property owners should not be penalized or restricted from making lawful use of their homes to sustain their livelihoods. I believe in a system that upholds the rights of individuals to conduct their affairs, especially when it pertains to the use of their own property, in a manner that is not harmful to others. I respectfully request that this bill be reconsidered and that more balanced measures be developed to address the concerns associated with transient vacation rentals, without infringing on the rights and financial needs of property owners.

Thank you for your attention to this matter.

Sincerely,

Nick Adler

SB-2919-HD-1

Submitted on: 4/1/2024 3:10:11 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Peter Knoblich MD	Individual	Oppose	Written Testimony Only

Comments:

I have had multiple vacation rental properties on the Big Island since 2020, including a bed and breakfast inn operated for 15 years. I currently own an oceanfront home which we have vacation rented for the past 20 years. We are next to a public park and condo complex, but are zoned residential.

We provide a unique and desirable vacation option for families to visit the Big Island at a fraction of the cost they would need to spend at a resort hotel for their family. If this option was not available, our guests would choose to go to the Carribean or Mexico.

Our vacation rental business has brought over \$500,000 in lodging tax revenue to the State of Hawaii and County of Hawaii in 20 years. In addition we hire local people for house cleaning, reapiers and maintenance, and landscaping. Our total outlays for local labor in the past 10 years is \$650,000, generating an additional \$26,000 in GET taxes over the past 10 years.

Vacation rentals properties by owners are in great demand, bring value to the Hawaiian experience and local economy. Regulations that limit free standing home rentals in dense residential neighborhoods is reasonable. The market can be effectively managed without onerous regulations.

There is a housing shortage in Hawaii, as there is in many places. However, taking away the livelihood of home and farm owners is not going to solve that problem. If we are forced to sell our \$2 million home because we can't afford to keep it, that doesn't provide low income housing solutions. It would however threaten at least 3 families who rely on our employment with providing for their families, or force them to drive an hour each direction to work for minimum wage in a resort hotel. Killing off the vacation rental tax base will make affordable housing in Hawaii less available, not more available.

Peter Knoblich M.D.

April 1, 2024

Michelle A. Koontz
[REDACTED]
[REDACTED]

Ref: SB2919, SD2, and HD1

Dear Hawaii House of Representatives Committee on Finance:

I am writing to express my concerns regarding the proposal to allow counties to amortize or phase out transient accommodations in any zone in Hawaii. While I understand the importance of regulating the hospitality industry to ensure local communities' well-being and preserve cultural and environmental resources, allowing counties to do so would be a misguided approach with significant negative consequences.

Transient short-term rentals have become integral to Hawaii's tourism industry, offering visitors a diverse range of accommodation options and contributing to the state's economy. Many homeowners rely on income from short-term rentals to supplement their livelihoods and support their families. Banning such rentals outright would deprive them of a vital source of income and undermine their property rights.

Furthermore, transient short-term rentals play a crucial role in promoting tourism throughout the state, particularly in less-developed areas such as Molokai, where traditional hotels may be scarce. Short-term rentals help distribute tourism revenue more evenly across various communities by offering visitors more choices in accommodations, reducing the strain on popular tourist destinations, and fostering economic growth in underserved areas.

It is also essential to consider the impact of a ban on Hawaii's overall tourism industry. Tourism is the lifeblood of the state's economy, supporting countless businesses and jobs in hospitality, retail, transportation, and other sectors. Discouraging visitors by restricting their accommodation options could have far-reaching economic repercussions, leading to job losses, business closures, and a decline in tax revenue, not to mention individual bankruptcy due to an inability to rent or sell in the future, especially with rates that have skyrocketed over the last several years.

Instead of allowing counties to amortize or phase out transient accommodations, I urge you to consider alternative solutions to address the concerns associated with transient short-term rentals. These could include implementing stricter regulations to ensure compliance with zoning laws, noise ordinances, and safety standards, as well as imposing taxes or fees to mitigate the impact on local communities and fund affordable housing initiatives.

Moreover, efforts should be made to collaborate with stakeholders, including homeowners, local businesses, and community organizations, to develop sustainable tourism practices that balance residents' needs with visitors' interests. By fostering dialogue and cooperation, we can find practical solutions that preserve Hawaii's unique character while supporting its economic vitality.

In conclusion, I respectfully urge you to reconsider the proposal to allow counties to amortize or phase out transient accommodations in any zone in Hawaii and instead explore alternative measures that balance regulating the hospitality industry with supporting the state's economy. Thank you for your attention to this matter, and I look forward to your response.

Sincerely,

Michelle A Koontz

Michelle Koontz

SB-2919-HD-1

Submitted on: 4/1/2024 3:12:04 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Allen	Individual	Oppose	Written Testimony Only

Comments:

As a short term rental owner in Princeville, Kauai since 2015, I implore you to take into consideration the significant differences between small businesses like mine and large hotel chains when evaluating SB 2919, SD 2, HD1. Unlike corporate hotel chains, which often funnel profits out of state, my short term rental business directly contributes to the local economy by supporting small businesses and creating employment opportunities within our community. Many of us rely on local contractors, cleaners, handymen, gardeners and service providers to maintain our properties, thus stimulating economic growth and providing vital income for local residents. By imposing onerous regulations that disproportionately burden small operators, SB 2919 risks favoring large hotel chains at the expense of grassroots entrepreneurship and job creation. Instead of stifling the growth of small businesses, I urge you to consider alternative solutions that promote a level playing field and foster an environment where all stakeholders can thrive. Supporting small businesses like mine not only strengthens Hawaii's economy but also preserves the unique character and authenticity that draw visitors to our islands.

Thank you,

Thomas Allen

SB-2919-HD-1

Submitted on: 4/1/2024 3:13:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sachiko Pelkaus	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Sachiko Pelkaus I live on the island of Oahu.

I am writing in opposition of this bill because it will threaten my ability to make a living along with

the other cleaners, electricians, maintenance workers, and small businesses like me, who live and work in my community.

I work for a small business that services short-term vacation rentals on my island. I am paid good wages, create my own schedule and work very near where I live, reducing my commute time.

This bill will hurt me and put at risk my ability to pay for my own housing and bills.

Let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 3:14:36 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joy Quinn	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Joy Quinn I live on the island of Oahu.

I am writing in opposition of this bill because it will threaten my ability to make a living along with

the other cleaners, electricians, maintenance workers, and small businesses like me, who live and work in my community.

I work for a small business that services short-term vacation rentals on my island. I am paid good wages, create my own schedule and work very near where I live, reducing my commute time.

This bill will hurt me and put at risk my ability to pay for my own housing and bills.

Let the counties enforce the laws that they already have.

I ask that you please do not move this bill forward.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 3:16:14 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaua Kama	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Kauailinoe Kama

SB-2919-HD-1

Submitted on: 4/1/2024 3:16:54 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Yukiko Manuel	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lāhainā fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lāhainā, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. If we continue on the path that we are currently on, Hawai‘i 5 years from now will look so different. Our people, families that have been born and raised here for generations, are moving off our ‘āina. As a makua with two boys, I urge you to look into your heart on what would be best for our young generations. Growing up and into a land where their kūpuna were from vs being torn from all they know and live in an unfamiliar continent because people from other places are moving into our homes. Mahalo for your attention to this critical issue.

Me ke aloha,

a frustrated makua- Yukiko Manuel

SB-2919-HD-1

Submitted on: 4/1/2024 3:17:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Gentry	Individual	Oppose	Written Testimony Only

Comments:

This is an infringement on property rights to try to change zoning after a property is purchased.

there are many working individuals from Government, medicine, teaching , military that require short term housing of 1-3 months.

SB-2919-HD-1

Submitted on: 4/1/2024 3:17:31 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia Straus	Individual	Oppose	Written Testimony Only

Comments:

Esteemed Committee Members,

Mahalo for your service and hard work. Please carefully consider the financial repercussions of this bill's passage.

While I am mostly familiar with the needs of Maui, this will have significant impact on all island residents. Should we go from a three down to a two tiered property tax system, where will the lost revenue be found? Will all properties see substantial increases?

MAT and TAT revenue will be less. How does the government intend to offset this? GET will drop as tourist dollars are either spent in other vacation destinations or reduced by smaller visitors.

Short-term vacation rentals support numerous residents with income. Many will face job uncertainty as the entire hospitality industry sees declining tourism. Fewer flights will mean job reductions in airline, airport, rental cars, and taxi needs. Management company personnel in office, call center, maintenance, and cleaning face cutbacks.. Restaurants will see more empty seats and less need for staff, linens, produce, meat, and fish. Those who depend on land or water activities for income will find it harder to maintain their businesses. The ripple continues to impact residents.

The loss of revenue and resulting need for aid is staggering. We need the monetary assistance of the tourism industry. There isn't another alternative to those outside dollars. I've heard from former visitors who have turned to Mexico as a less expensive option. Their vacation funds go further.

We need housing and financial stability. Please carefully consider the long term impact of this bill.

Mahalo,

Patricia Straus

SB-2919-HD-1

Submitted on: 4/1/2024 3:19:11 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lois Koenig	Individual	Oppose	Written Testimony Only

Comments:

Please vote NO on this bill. It is not good for anyone. Thank you

SB-2919-HD-1

Submitted on: 4/1/2024 3:21:41 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patti Tews	Individual	Oppose	Remotely Via Zoom

Comments:

Senate Bill 2919: is a Direct Threat to Constitutionally Protected Property Rights in Hawaii

Aloha Members of the Hawaii State Legislature,

This letter expresses my unwavering opposition to Senate Bill SB2919 due to its egregious violations of fundamental property rights enshrined in both the United States Constitution and the Hawaii State Constitution, and it does not protect the rights of Hawaiian Ohana.

SERIOUS Constitutional Concerns:

SB2919 raises serious concerns about its legality and potential to undermine well-established constitutional and legal principles. The bill specifically targets legally established transient accommodation uses in legally operating and previously designated zones, proposing selective amortization and phasing out, thereby jeopardizing homeowners' rights, and discrimination.

- **Unfettered Discretion and Selective Targeting:**
SB2919 grants counties unfettered discretion in future zoning decisions, potentially allowing for manipulation and weaponization of zoning changes at the whim of the county. This selective targeting of transient accommodations unfairly disadvantages local property owners engaged in lawful use of their property.
- **Erosion of Property Rights and Future Planning Uncertainty Creates Legal Concerns:**
This proposed legislation creates immense uncertainty regarding the future viability of significant property investments, currently averaging over a million dollars each in Hawaii. Future ambiguity surrounding zoning regulations directly hinders effective planning, a crucial aspect of property ownership, and deprives owners of the ability to make informed decisions, which violates protected property rights.
- **Clear Violations of State and Federal Legal and Constitutional Protections:**
SB2919 appears to contradict several legal protections:
 - **Hawaii State Constitution (Article I, Section 5):** The bill fails to provide explicit future legal protections for existing property usage rights. Additionally, the lack of clarity regarding zoning regulations violates homeowners' right to

clear and predictable laws governing their properties, and the counties do not have the power to change the substantial use of the property after acquisition.

- **Fourteenth Amendment (Equal Protection and Due Process Clauses):**
By focusing solely on transient accommodations, SB2919 violates the Equal Protection Clause, and the retroactive application of zoning regulations violates the constitutionally protected due process laws.
- **Fourteenth Amendment (Contract Clause):**
SB2919 directly contradicts the Contract Clause by proposing zoning changes that retroactively alter existing legally binding contracts. This constitutes an illegal impairment of the obligations of contracts, which is clearly protected by the 14th Amendment of the US Constitution.
- **Devaluation of Property Values without Just Compensation:**
The potential for future zoning changes significantly impacts property investments by introducing future uncertainty. This directly impacts the value of all properties used for transient accommodations, violating the legal protections outlined in Article I, Section 10, Clause 1 of the Fourteenth Amendment, which guarantees property rights to every US Citizen.
- **Fifth Amendment Violations:**
SB2919 raises concerns regarding potential violations of the Fifth Amendment:
 - **Takings Clause:**
Amortization or phasing out of protected zoning classifications substantially changes property usage and diminishes property values without compensation, clearly violating the Takings Clause.
 - **Due Process Clause:**
The lack of grandfathering clauses directly contradicts due process principles. By allowing the State or Counties to retroactively impose new zoning restrictions on legally acquired properties, SB2919 strips owners of their constitutionally protected vested property rights.

Established Legal Precedents and Due Process:

SB2919 further contradicts long-established legal precedents in Hawaii regarding due process. Due process guarantees fair notice of the law's application and the ability to plan accordingly. By introducing ambiguity around future zoning, SB2919 deprives property owners of this crucial ability, causing significant and undue financial distress which violates the constitutional right to peaceful and tranquil enjoyment of life, liberty and property.

SB2919 is a destructive bill that threatens the very foundation of property rights in Hawaii. The potential violations of the United States Constitution and the Hawaii State Constitution necessitate its immediate rejection. We urge the Hawaii Senate to prioritize the protection of our residents' property rights and reject SB2919.

Mahalo,
Patti Tews

SB-2919-HD-1

Submitted on: 4/1/2024 3:21:50 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Victor Wang	Koya Kona	Oppose	Remotely Via Zoom

Comments:

As someone deeply involved in the short-term rental industry, I firmly stand against the proposed bill. Short-term rentals not only provide a vital source of income for hosts like myself but also offer travelers unique and personalized accommodation options. This bill threatens to undermine the sharing economy and restrict the choices available to both hosts and guests. I urge lawmakers to reconsider and support policies that promote innovation and economic growth in the hospitality sector.

SB-2919-HD-1

Submitted on: 4/1/2024 3:24:44 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alan Ng	Individual	Oppose	Written Testimony Only

Comments:

This bill will create economic distress to the county of Maui. Not only will there be less money coming from property taxes, (short term rentals pay higher property taxes) but also the County TAT taxes that are collected from the short term rentals.. Jobs will also be lost (management companies, cleaners, handymen) that work with short term rentals. Many visitors do not enjoy staying in hotels, they would rather stay in short term rentals so it feels more like home to them. Going after Legal short term rental owners is not the solution to the issues on Maui. Especially after the Horrific Fire in West Maui and the Kula area. Maui and the locals need all the help they can get to rebuild. Cutting off extra revenue to the County will just cause more distress and hardship.. The unemployment rate will also increase due to lost jobs that are associated with Short Term Rentals. Illegal short term rentals are the ones that need to be shut down.. They don't pay their share of taxes to the county or the state of hawaii.

SB-2919-HD-1

Submitted on: 4/1/2024 3:25:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Neal Hafner	Individual	Oppose	Written Testimony Only

Comments:

My name is Neal Hafner, and I operate a short term vacation rental in Kuliouou (Hawaii Kai). We have been operating for a year and follow all the rules and regulations and pay the applicable taxes as required.

My rental is an attached ohana unit on my primary residence. I am not an out-of-state investor or an owner who owns multiple rentals. The ability to rent out this unit is one of the primary reasons my family is able to live in Hawaii. For half of the year, the unit is occupied by the elderly mother who needs care.

In my first year of running the airbnb, the guest profile has been mostly local or individuals with ties to Hawaii. We had an elderly couple stay in our unit, while the husband went through 30 days of treatment for Parkinsons disease. We had a guest who grew up in Hawaii, but works in Texas who stayed in our unit so she could visit her family for a month. We had a couple who lived in Hawaii for many years, but relocated to the mainland, then decided to move back and stayed in our unit while looking for permanent housing. We had a storyboard artist who was working on a film in Hawaii, thus bringing revenue to the state. Lastly, we had a family from the Big Island stay with us while they welcomed their daughter in Kapiolani Hospital. We also had a guest who stayed with us while exploring University of Hawaii prior to enrolling and transferring.

The majority of our guests are either from Hawaii, or have deep ties to Hawaii. They are also bringing revenue to our economy.

I strongly believe that imposing restrictions on short term vacation rentals is unethical and wont fix the affordable housing issues in Hawaii. I personally live on property, and feel that it would be an overreach of the government to prohibit my ability to rent an ohana unit on my property, provided I follow all the rules and pay taxes. If you follow the rules and pay taxes, then we should be allowed to operate a short term vacation rental with 30 day minimums in residential districts. If changes are made to prohibit this, the local residents will pay the price, as well as kapuna needing medical care, and previous local residents trying to find their way back into the State. The state is pursuing tech workers as well through programs like Movahs and Shakas, and I suspect most of these individuals rent airbnb, while pouring money into the local economy.

Aloha - Neal Hafner

SB-2919-HD-1

Submitted on: 4/1/2024 3:25:51 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Soo Ng	Individual	Oppose	Written Testimony Only

Comments:

This bill will create economic distress to the county of Maui. Not only will there be less money coming from property taxes, (short term rentals pay higher property taxes) but also the County TAT taxes that are collected from the short term rentals.. Jobs will also be lost (management companies, cleaners, handymen) that work with short term rentals. Many visitors do not enjoy staying in hotels, they would rather stay in short term rentals so it feels more like home to them. Going after Legal short term rental owners is not the solution to the issues on Maui. Especially after the Horrific Fire in West Maui and the Kula area. Maui and the locals need all the help they can get to rebuild. Cutting off extra revenue to the County will just cause more distress and hardship.. The unemployment rate will also increase due to lost jobs that are associated with Short Term Rentals. Illegal short term rentals are the ones that need to be shut down.. They don't pay their share of taxes to the county or the state of hawaii.

SB-2919-HD-1

Submitted on: 4/1/2024 3:26:36 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jim Ogann	Individual	Oppose	Written Testimony Only

Comments:

Giving more authority to the counties is the worst possible move the legislature can do. The county governments are focused on Killing the short/term rental market. Huge real-estate taxes and TAT's have driven rental rates so high that vacationers can't afford to come to Hawaii. Vacancies are 5 times normal. This is going to cause huge spikes in unemployment and the economy in Maui in the non-Oahu islands to crater. Wake up. When this happens the legislature will be asked to bail out the country governments.

SB-2919-HD-1

Submitted on: 4/1/2024 3:26:40 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
ALAN KAY NG	Individual	Oppose	Written Testimony Only

Comments:

This bill will create economic distress to the county of Maui. Not only will there be less money coming from property taxes, (short term rentals pay higher property taxes) but also the County TAT taxes that are collected from the short term rentals.. Jobs will also be lost (management companies, cleaners, handymen) that work with short term rentals. Many visitors do not enjoy staying in hotels, they would rather stay in short term rentals so it feels more like home to them. Going after Legal short term rental owners is not the solution to the issues on Maui. Especially after the Horrific Fire in West Maui and the Kula area. Maui and the locals need all the help they can get to rebuild. Cutting off extra revenue to the County will just cause more distress and hardship.. The unemployment rate will also increase due to lost jobs that are associated with Short Term Rentals. Illegal short term rentals are the ones that need to be shut down.. They don't pay their share of taxes to the county or the state of hawaii.

SB-2919-HD-1

Submitted on: 4/1/2024 3:29:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jesus Gonzales	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because it could result in a taking of my property. I worked hard and saved for years so that I could buy my retirement home and live in in Maui. In 2021, I finally realized my dream and timed it in a way that I still had some working years to pay off the mortgage in preparation for my retirement. Part of my plan was to use the short term rental income to pay the mortgage and assessment and HOA fees. I pay taxes in Maui and provide value to Maui citizens and tourists alike. This bill which could result in a taking of my property would be unfair and unjust and un-American. Jesus J Gonzales

SB-2919-HD-1

Submitted on: 4/1/2024 3:29:40 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Allison Wang	Individual	Oppose	Remotely Via Zoom

Comments:

As avid supporters of short-term rentals, we strongly oppose this bill. Short-term rentals have provided countless benefits to both hosts and guests alike, fostering economic growth, promoting tourism, and offering unique and personalized travel experiences. This bill threatens to stifle innovation and limit consumer choice, ultimately harming local economies and depriving travelers of affordable and flexible accommodation options. We urge policymakers to reconsider and work towards solutions that support the thriving short-term rental industry while addressing any legitimate concerns.

SB-2919-HD-1

Submitted on: 4/1/2024 3:30:33 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Blair Schmautz	Individual	Oppose	Written Testimony Only

Comments:

Blair Schmautz

[Condo owner]

██

██

United States of America

Dear legislator,

I am writing to express my strong opposition to Hawai'i House Bill SB 2919, SD 2, HD1 , which I believe poses a significant threat to my livelihood as a local resident of White Sands Village C ██████████ Kuakini building. As an owner of a short-term rental property, I have witnessed firsthand the positive impact that our rental has both on local employment and the economy of Hawai'i. Short term, rental committees, like ours, provide close access to Magic Sand Beach, where there are no hotels nearby

Residents come specifically to our condominium for that purpose.

The enactment of

Blair Schmautz

[Condo owner]

██

██

United States of America

Dear legislator,

I am writing to express my strong opposition to Hawai'i House Bill SB 2919, SD 2, HD1, which I believe poses a significant threat to my livelihood as a local resident of White Sands Village [REDACTED] [REDACTED]. As an owner of a short-term rental property, I have witnessed firsthand the positive impact that our rental has both on local employment and the economy of Hawai'i. Short term, rental committees, like ours, provide close access to Magic Sand Beach, where there are no hotels nearby

Residents come specifically to our condominium for that purpose.

The enactment of HB1838 would not only have a detrimental effect on the operation of my short-term rental, but it would also jeopardize the livelihoods of many others who rely on this industry for their financial well-being. The proposed restrictive measures could make the operation of our rental properties impossible and lead to significant financial hardship, making it increasingly challenging to afford living in Hawai'i. For many citizens like me, this industry is not just a source of income, but a vital lifeline that enables us to meet mortgage payments and sustain our lives in this unique economic landscape.

I urge you to reconsider the potential ramifications of SB 2919, SD 2, HD1 on the local community and the families who depend on short-term rentals as a means of economic stability. Let us work together to find solutions that balance the needs of the community while preserving the opportunities for citizens to participate in Hawai'i's tourism industry. We live in Hawai'i part-time and rent it out the other days so that we can afford the mortgage.

In support of my opposition, I am including testimonies from other individuals who are facing similar challenges due to proposed bills regulating vacation rentals. Kris Adair, a local resident, emphasized that short-term rentals are essential for many residents to meet their mortgage payments and sustain their livelihoods. Marbella Alford, another member of the community, highlighted the crucial financial stability provided by her work in the vacation rental industry and

expressed deep concerns about the potential impact of the bill on her employment and financial well-being.

I implore you to consider the voices of the local residents who will be directly affected by this bill and to engage in constructive dialogue to find solutions that do not unduly burden the families and individuals who rely on short-term rentals for their economic stability.

would not only have a detrimental effect on the operation of my short-term rental, but it would also jeopardize the livelihoods of many others who rely on this industry for their financial well-being. The proposed restrictive measures could make the operation of our rental properties impossible and lead to significant financial hardship, making it increasingly challenging to afford living in Hawai'i. For many citizens like me, this industry is not just a source of income, but a vital lifeline that enables us to meet mortgage payments and sustain our lives in this unique economic landscape.

I urge you to reconsider the potential ramifications of SB 2919, SD 2, HD1 on the local community and the families who depend on short-term rentals as a means of economic stability. Let us work together to find solutions that balance the needs of the community while preserving the opportunities for citizens to participate in Hawai'i's tourism industry. We live in Hawai'i part-time and rent it out the other days so that we can afford the mortgage.

In support of my opposition, I am including testimonies from other individuals who are facing similar challenges due to proposed bills regulating vacation rentals. Kris Adair, a local resident, emphasized that short-term rentals are essential for many residents to meet their mortgage payments and sustain their livelihoods. Marbella Alford, another member of the community, highlighted the crucial financial stability provided by her work in the vacation rental industry and expressed deep concerns about the potential impact of the bill on her employment and financial well-being.

I implore you to consider the voices of the local residents who will be directly affected by this bill and to engage in constructive dialogue to find solutions that do not unduly burden the families and individuals who rely on short-term rentals for their economic stability.

SB-2919-HD-1

Submitted on: 4/1/2024 3:30:53 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Colin Haubrich	Individual	Oppose	Remotely Via Zoom

Comments:

To whom it may concern,

I'm writing in opposition to Bill HB1838.

By allowing the islands to set their own STR rules you are effectively giving them the green light to shutdown an important part of Hawai'i's economy. During Covid tourism ground to a halt, cleaners and property managers were out of work and many of the restaurants closed down.

While STR's may comprise 5% of the housing in Maui, they represent over 50% of the available transient accommodations. Can Maui withstand a potential 50% drop in tourism?

Also what would happen to Hotels, Restaurants, and other services - Hotels are already extremely expensive and would likely go to \$1000/night due to supply and demand, bringing food and other critical items that Maui residents depend on a long with it. Where would Hawai'i residents stay when visiting friends and family?

Tourists and Hawai'i Residents stay in Condos to save money. They shop locally at grocery stores and frequent stores like Target and Costco - all helping to keep costs down for Maui residents and employees employed. Leaving hotels as the only option for transient accommodation will result in greater demand driving pricing up!

Hawai'i's not like other locations that have considered bans, Hawai'i's main economy is Tourism.

We as owners frequent Lowes, Home Depot and Ross - again providing jobs and feeding the Maui economy.

Is Hawai'i really ready for hyperinflation? Tourism helps keep costs down, employs many people on the islands, and provides healthy alternatives to hotels.

Then there's the issue with the decrease in Tax Revenue, Maui's STRs provide 40% of the real property tax revenue for the county, as well as being the top funding source for affordable housing for Maui. This STR property tax revenue represents 18% of the county's 1.7 billion dollar budget. Where will that revenue come from? How about the TAT tax collected on each STR?

Respectfully,

Colin & Myra Haubrich

SB-2919-HD-1

Submitted on: 4/1/2024 3:32:09 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brian Lucas	Individual	Oppose	Written Testimony Only

Comments:

Good day to all. I write to oppose SB2919 as it does not appear to solve any significant problem facing the island. Long ago, when TVR zones were created, the beautiful islands of Hawai'i were aware that much of the local economy depended on tourism, but it did not want to destroy the fabric or the community of the local residents. Thus, the TVR zones provided specific areas for this purpose and the local economy benefits from a concentration of specific areas intended for these tourists, while allowing much of the respective island areas to remain unaffected. Has the concept of TVRs failed to provide necessary relief for residents? Will hotels also be forced to shut down or turn into community centers? Will tourists still be welcome, supporting the majority of the economy in each of the main islands?

I steadfastly oppose this bill as an affected homeowner in Kauai.

SB-2919-HD-1

Submitted on: 4/1/2024 3:32:10 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniela Darrow	Individual	Oppose	Written Testimony Only

Comments:

My name is Daniela Darrow and I have property in Waikiki.

I'm opposed to bill 2919.

If this Bill passes there will be no more month-to-month rentals in Hawaii. This Bill will create another type of housing crisis for those that cannot qualify for a long-term rental or need temporary furnished housing. Many only have a need for 30 day rentals, but may stay longer if they wish.

Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends of which we get requests for.

Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

In addition, there will the impact be to the many residents that are employed by short and mid term rental agencies. They employ agents, IT personnel and provide jobs for cleaners and maintenance workers.

I also believe it is unfair for those whose condo units are side by side or on the same streets as hotels can't rent by the day.

Thank you for hearing my concerns.

Daniela Darrow

SB-2919-HD-1

Submitted on: 4/1/2024 3:33:33 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeffrey Cumes	Individual	Oppose	Written Testimony Only

Comments:

My wife and I have had a vacation rental on our property since 2007. In addition to being financially beneficial to us, it has been a great source of pleasure to the many guests who have visited from all over the world. Our many five-star reviews attest to the pleasure these visitors have had, as they describe the range of activities they have engaged in. Having short-term accommodations is a very effective way of bringing people to the Big Island, who then spend money in our community. There would be fewer people visiting if this affordable accommodation were not available. The excise and transient accommodations tax itself is a boon for the Big Island's economy.

Thank you for considering these comments.

SB-2919-HD-1

Submitted on: 4/1/2024 3:33:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vicky Wang	Individual	Oppose	Remotely Via Zoom

Comments:

As avid proponents of short-term rentals, we firmly stand against this proposed bill. Short-term rentals have played a significant role in providing flexibility and convenience for travelers, offering unique experiences and fostering economic growth in local communities. This bill threatens to restrict these opportunities and limit the choices available to both hosts and guests. We urge policymakers to consider the positive impact of short-term rentals and to work towards solutions that support this thriving industry while addressing any legitimate concerns.

SB-2919-HD-1

Submitted on: 4/1/2024 3:35:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rebecca Stores	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha Respected Members of the Hawaii Senate,

This letter serves as a vehement opposition to Senate Bill 2919.

SB2919 cannot garner any support due to its numerous infractions against both the United States Constitution and the Constitution of Hawaii, as well as its proposed adverse effects on property rights and disregard for established legal doctrines, and the exponential property devaluation caused by this proposed bill.

The bill specifically targets existing transient accommodation uses in residential and agricultural zones for amortization, which seeks to phase out property owners from their legally protected property rights. This targeted approach not only jeopardizes property values but also introduces extreme illegalities as the future uncertainties for Hawaii property owners impeding future planning and investment which is crucial for all responsible property owners. Additionally, it violates legally protected rights under both the Constitution of the State of Hawaii and the Constitution of the United States of America.

Violation of Hawaii State Constitution Article I, Section 5 - Erosion of Property Values:

SB2919 fails to provide explicit future legal protections for homeowners property usage rights, directly contravening Article I, Section 5 of the Hawaii State Constitution, which ensures the protection of private property. Furthermore, its lack of clarity infringes upon homeowners rights to clear and predictable laws governing property rights, as guaranteed by Hawaii Revised Statutes (HRS) § 91-1.5. This failure to provide adequate legal safeguards is particularly egregious for Hawaiian property owners, given the significant average home price of \$1,075,000 as of April 2024.

Violation of US Constitution Amendment 14 Article - Violation of Contracts and Equal Protections:

SB2919 violates the 14th Amendment of the US Constitution, which protects the right to property and equitable treatment under the law. Targeting transient accommodation owners with zoning laws that apply solely to them and agricultural land constitutes illegal discrimination against Hawaiian property owners engaged in lawful transient accommodations use of their property, thus violating their legally protected status.

SB2919 directly contravenes Article I, Section 10, Clause 1 of the 14th Amendment, which prohibits states from impairing existing contract rights. By introducing uncertainty and illegally amending zoning classifications protected in the original purchase contract, SB2919 substantially diminishes property value, violating this constitutional provision.

Violation of the Fifth Amendment Due Process Clause and The Takings Clause:

SB2919 infringes upon property rights protected by the Fifth Amendment, particularly the Takings Clause, by substantially devaluing homeowner property values with this proposed bill, without just compensation, leaving property owners unprotected by this constitutional safeguard.

Contradiction with Established Precedent:

SB2919 contradicts the well-established principle of Due Process, depriving property owners of fair notice and the ability to plan accordingly. By introducing ambiguity around future zoning regulations, SB2919 circumvents property owners legally protected rights and inhibits informed decision-making, leading to significant financial losses caused by this proposed bill.

SB2919 is illegal and violates the constitutional rights of our Hawaiian community. It cannot be advanced and must be stopped.

With Much Aloha, Rebecca Stores

SB-2919-HD-1

Submitted on: 4/1/2024 3:37:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Willy Shim	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Willy Shim

SB-2919-HD-1

Submitted on: 4/1/2024 3:37:47 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rachel Morgan	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Rachel Morgan

SB-2919-HD-1

Submitted on: 4/1/2024 3:38:00 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William P Lamkin	Individual	Oppose	Written Testimony Only

Comments:

I am a retired veteran living on Maui and I strongly oppose SB2919. I have a legal vacation rental and I depend on its income to maintain an acceptable quality of life. If I lost this income it would be a financial hardship for me.

Also, since vacation rentals provide 40% of the real property tax revenue and are also the top source of funding for affordable housing on Maui, it would be irresponsible to pass a bill that would reduce income, especially with the current financial situation on Maui.

SB-2919-HD-1

Submitted on: 4/1/2024 3:39:33 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jill Noelani Sturdevant	Individual	Oppose	Written Testimony Only

Comments:

I am proud of our small solar and water catchment small house that my daughter and I have been running since 2113 as an air BNB, by the month or more now since last time the rules changed. The house is permitted, clean and humble. It offers travellers an authentic experience in lower Puna where there are no motels or hotels to speak of. Our many guests over the years have contributed to our livelihood and local restaurants and stores. Our guests have been respectful in the neighborhood.

The amount of tax revenue to Hawaii from our small STVR is a very large total and I do not understand why this is not being valued as fair compensation for doing this kind of small scale, sustainable family run rental.

Like many STVR owners, we also host our family from afar at this house, and are not interested in long term rental of the house for many reasons. I feel this over regulation and is going to hurt local livelihood and income for so many. Why not value and appropriately utilize the neay 18%! taxes on STVR to create more housing opportunities? If that is in fact what is driving all these bills to shut down so many small scale rentals that enrich the diversity of tourism and support employment and other local businesses. Thank you, Noelani Sturdevant

SB-2919-HD-1

Submitted on: 4/1/2024 3:44:43 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Valerianne Dietrich	Deep Blue Builders	Oppose	Remotely Via Zoom

Comments:

I wholeheartedly testify in support of short-term rentals and firmly oppose the passing of this bill. Short-term rentals play a crucial role in empowering homeowners to utilize their properties efficiently and generate additional income. Moreover, they offer travelers diverse and affordable accommodation options, fostering a more dynamic and inclusive tourism sector. This bill poses a threat to the livelihoods of countless hosts and the accessibility of alternative lodging options for travelers. Let us stand together in support of the short-term rental community and advocate against measures that hinder its growth and sustainability.

SB-2919-HD-1

Submitted on: 4/1/2024 3:46:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruimin Zhou	Deep Blue Builders	Oppose	Remotely Via Zoom

Comments:

I solemnly testify in support of short-term rentals and stand firmly against this bill. Short-term rentals play a crucial role in empowering homeowners to utilize their properties effectively, fostering economic opportunities, and providing travelers with diverse and authentic accommodation experiences. This bill poses a threat to the livelihoods of countless individuals and stifles innovation within the hospitality sector. It is imperative that we advocate for the preservation of short-term rental rights and oppose any legislation that seeks to undermine this valuable industry.

SB-2919-HD-1

Submitted on: 4/1/2024 3:48:32 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mona Schimmelfennig	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I oppose bill SB2919, As a part Hawaiian born and raised on the island of Kaua'i. My family home that was built by my Hawaiian great grandparents in Poipu in 1920 has been passed down through our family since. Our home has never been sold. Now having that home and having bought a house in Omao 6 years ago, I vacation rental the Poipu house to make income. If I don't, my property tax is \$14,500 a month as a "second home investor". I live here on Kaua'i. I am not a investor from the mainland. I was fortunate to still have this family property and am able to keep it in our family. Short term renting this home is the only way I can afford to keep it. Doing this also allows my family to use the house for our own use. I feel looking into vacation rental properties for real investors and regulating those homes would be something to look into. Not local Hawaiians that have the opportunity to keep a home, that's been passed down. Overall, if I'm affected by this phasing out of Short term rentals. That will be another home lost to an investor from the mainland that will come in and buy it. Mahalo for taking the time to consider my opinion.

Mahalo,

Mona

SB-2919-HD-1

Submitted on: 4/1/2024 3:48:42 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
karin omahony	Individual	Oppose	Remotely Via Zoom

Comments:

Please vote no on SB2919

The residents of Oahu, and Hawaii, need to be able to rent housing with a 30 day minimum.

Removing the ability to rent a home for 30 days at a time will cause our homeowners insurance to skyrocket further. The insurance companies need somewhere to house displaced residents other than expensive hotels.

Who needs 30 day rentals?

Residents displaced because of damage to home - flood, fire, mold, etc.

Construction companies with short term employees and interns.

Residents in transition- buying or selling their Hawaii homes.

Traveling doctors and nurses, military workers and university employees.

Poor people who don't qualify for year long leases

Young people getting started.

Residents who are saving money to buy a home - need to be able to be on month to month so they can move when ready.

Residents who have family members in transition - elders or youngsters who may need to move in with little notice. If a resident is renting their home 30 days at a time, they can accommodate the needs of family visiting and in transition. If forced to rent their homes long term or sell their homes, families cannot care for their own family's needs.

Enough already! There was years of testimony from residents insisting the 30 day rental was needed. The law allowing 30 day rentals was passed.

Its not fair we residents have to continue to spend so much time and energy begging the lawmakers to follow the laws on the books as the developers and hotels try again and again to

force residents to sell our homes by increasing insurance costs, property taxes and eliminating our ability to rent our homes.

An "aye" vote on SB2919 will hurt Hawaii's residents and force more homes sold into the hand of developers. (As is the aim of SB3202 - get people to sell their property to developers who will then build 4 houses per small lot).

Please vote no on SB2919 and turn your attention to items that will actually make things better for Hawaii residents.

Thank you

SB-2919-HD-1

Submitted on: 4/1/2024 3:49:05 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kasey Ines	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB 2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rental play in our housing crisis. Many communities across the state, including Lahaina, have many short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,
Kasey Ines

SB-2919-HD-1

Submitted on: 4/1/2024 3:49:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matthew Miller	Individual	Oppose	Written Testimony Only

Comments:

Dear representatives,

I am writing in opposition to SB2919. Granting government authority to phase out short term rentals in ANY zone is blatantly wrong. Short term rentals are a necessity to the tourism industry. All of Hawai'i is dependent on a strong tourism industry, and granting counties the ability to phase out legally operating, and licensed, short term rentals would undercut the tourism industry, creating an economic hardship on the state. It is also morally and ethically wrong to essentially steal the property value from an owner by phasing out their short term rental, when they have been operating legally. I humbly ask that you don't allow this legislation to pass.

SB-2919-HD-1

Submitted on: 4/1/2024 3:50:26 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hitomi Yokoyama	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee,

My name is Hitomi Yokoyama, I live on the island of Oahu.

I am writing in opposition of this bill because it will threaten my ability to make a living along with the other cleaners, electricians, maintenance workers, and small businesses like me, who live and work in my community.

I work for a small business that services short-term vacation rentals on Oahu. I am paid good wages, create my own schedule and work at home, allowing me to stay home with my children when there is no school and have time to spend with my family at the same time. This bill will hurt me and put at risk my ability to pay for my own housing and bills. And it will be extremely hard to find another job that allows me to work at home.

This bill will also hurt a lot of people coming from off island that need a temporary furnished housing. We have been able to accommodate so many people that come to Oahu not only tourists but also who are coming to see their families or for work. And they really enjoy their stay at Vacation Rentals.

Please let the counties enforce the laws that they already have. I ask that you please do not move this bill forward.

Thank you for your time.

SB-2919-HD-1

Submitted on: 4/1/2024 3:51:07 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carl Schneider	Individual	Oppose	Remotely Via Zoom

Comments:

I am writing in opposition to this Bill SB2919.

- This Bill will create another type of housing crisis for those who cannot qualify for a long-term rental or need temporary furnished housing.
- Mid and Short-term Rentals accommodate displaced residents, newly housed residents, residents in transition, inter-island residents coming for medical treatment or family visits, traveling nurses, emergency contractors, temporary military & students, our family & friends.
- Events like the Red Hill Crisis and Marco Polo fires displaced thousands of residents. Where will residents find temporary, furnished housing if our industry is further decimated?

SB-2919-HD-1

Submitted on: 4/1/2024 3:51:43 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Saul Rollason	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

It seems to me that much of the evidence used to support this bill is either anecdotal or suppositional. As there doesn't seem to be any real data on the supposed disruption of communities on the Big Island by STVRs or the effect they may or may not have on long term rents, I thought I would share my own experience, as the owner and operator of an STVR here in Hilo for the past 12 years.

My vacation rental is on a quiet cul-de-sac in a residential neighborhood. It has played host to over 3500 guests from over 1200 bookings. It is worth noting that my STVR is also where I keep all the things that are Important to me: art, musical instruments antiques, family heirlooms, etc. I leave them out in the expectation that guests will enjoy them as much as I do and because they make my vacation rental more of a home from home.

Here is the interesting thing; In 12 years, I have never had anything stolen or broken (other than the occasional plate or glass). The police have never been called to my property because of the behavior of a guest. I can also say that the extremely rare (4 in 12 years) complaints from my neighbor about noisy guests are far outnumbered by my guests' complaints about the noisy neighbor. I think that it's also interesting to note that not one time in 12 years has the house been left in what I would regard as a very messy condition. The overwhelming majority of guests are kind, considerate and respectful. They do not come here to party, They come instead to appreciate the extraordinary culture and beauty that we can offer. They spend large amounts of money in the community and generate a huge amount of tax revenue. I know too from countless conversations with them that they are also not the kind of guests who are ever likely to stay in hotels. By and large they have embraced the vacation rental experience and recognize it to be far greater value to them than hotel rooms. These are the kind of guests who do not particularly like the resort experience. They appreciate the privacy, convenience and value of vacation rentals. They are ideal visitors to our island and we restrict their accommodation access at our peril.

Very many thanks for your consideration

saul Rollason

SB-2919-HD-1

Submitted on: 4/1/2024 3:51:50 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anna Allison	Individual	Oppose	Written Testimony Only

Comments:

Aloha chair, vice chair and committee ,

I am writing an opposition of this bill because mid and short term rentals are important for me. I frequently travel to Hawaii specifically the Waikiki area, and am in need of short and midterm rentals. my time in Hawaii has a positive impact on the economy in Waikiki. Without the ability to rent for 30 days or more, my vacation choice would be impacted as renting a hotel room for 30 to 45 days would not be a financial option.

Thank you for hearing my concern.

Anna Allison

SB-2919-HD-1

Submitted on: 4/1/2024 3:55:21 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carmela REsuma	Individual	Support	Written Testimony Only

Comments:

Dear Honorable Members of the Committee,

I strongly support this measure. This bill is essential to the recovery of Lahaina. We don't need any more short term rentals or protections for individuals that own them. Please vote in favor of this measure.

With gratitude,

Carmela Resuma, Honolulu

SB-2919-HD-1

Submitted on: 4/1/2024 3:57:18 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Hall	Individual	Oppose	Remotely Via Zoom

Comments:

HILSTRA recently prevailed in a federal lawsuit in the United States District Court, District of Hawaii – Hawaii Legal Short-Term Rental Alliance v. City and County of Honolulu, Civ. No. 1:22-cv-00247-DKW-RT – in which the District Court held that HRS 46-4 prevented the City and County of Honolulu from amending its zoning ordinance to prohibit previously lawful rentals of residential property of 30 to 89 days.¹ The District Court found that the rental of property for ordinary living activities is a “residential use” protected by the express prohibition of HRS 46-4 against using zoning laws to eliminate lawful residential uses of property in Hawaii. Id. Bill 2919 is nothing but an attempted end-run around the District Court’s opinion and well-settled constitutional principles upon which HRS 46-4 is premised. 1. Lawful Residential Rentals Are Constitutionally Protected Vested Rights. HRS 46-4 was initially adopted by the Legislature in 1957 by Act 234. In granting Hawaii’s counties the power to enact zoning ordinances, the Legislature specifically prohibited the adoption or amendment of zoning ordinances which would prohibit the continuance of the “lawful use of any building or premises for any trade, industry, residential, agricultural or other purpose for which such building or DAMON KEY LEONG KUPCHAK HASTERT T7 howo ii lawyer.com® A LAW CORPORATION ||| MERITAS“ Senate Committee on Judiciary Sen. Karl Rhoads, Chair and Mike Gabbard, Vice-Chair Senate Committee on Ways and Means Sen. Donovan Dela Cruz, Chair and Sharon Moriwaki, Vice-Chair February 29, 2024 Page 2 2 Act 234, Hawai‘i Session Laws 1957, § 9. 3 Ferris Trust v. Planning Comm’n of Kauai, 138 Hawaii 307, 312 (Ct. App. 2016) (holding that HRS 46-4 and constitutional due process protect the owner of property used as a transient vacation rental when Kauai amended its zoning code to restrict such use); Waikiki Marketplace Inv. Co. v. Chair of Zoning Bd. of Appeals, 86 Hawaii 343, 353 (Ct. App. 1997) (noting HRS 46-4’s protection of lawful uses of property was grounded in constitutional law). 4 Haw. Rev. Stat. § 46-4(a) (emphasis added). 5 1980 Hawaii House Journal (Standing Committee Reports) at 1176-77. 6 Ferris Trust v. Planning Comm’n of Kauai, 138 Hawaii 307, 312 (Ct. App. 2016) (holding that HRS 46-4 and constitutional due process protect the owner of property used as a transient vacation rental premises is used at the time this act or such ordinance takes effect.”² Preexisting lawful uses could only be eliminated as the use was discontinued by the owner. Id. The statutory protection of prior lawful uses is simply a codification of underlying constitutional principles. As has been repeatedly noted by Hawaii’s appellate courts: “The statutory protection of lawfully existing uses and structures ‘prior to the effective date of a zoning restriction is grounded in constitutional law.’”³ “Such uses are vested rights that zoning ordinances may not abrogate.” Id. When the Legislature amended HRS 46-4 in 1980 to introduce “amortization or phasing out of non-conforming uses”, it made crystal clear that the counties could not use their zoning powers to amortize or phase out uses in residentially zoned districts by stating that a

zoning ordinance may provide “for amortization or phasing out of nonconforming uses or signs over a reasonable period of time in commercial, industrial, resort, and apartment zoned areas only.”⁴ The Legislature removed any doubt when it added “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.” *Id.* The Legislature’s intent was to make sacrosanct residential and agricultural uses in Hawaii.⁵ While the counties have long pushed for an amendment – like SB 2919 – to remove this restriction on certain residential uses in residential districts, such a statutory change will be ineffective. That is because HRS 46-4’s limitations on zoning are simply a codification of underlying constitutional protections embedded in the Hawaii and United States Constitutions, which both explicitly protect private property and due process. “The statutory protection of lawfully existing uses and structures ‘prior to the effective date of a zoning restriction is grounded in constitutional law.’”⁶ Thus, the constitutional protections will remain a legal

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Senate Committee on Judiciary
Sen. Karl Rhoads, Chair and Mike Gabbard, Vice-Chair
Senate Committee on Ways and Means
Sen. Donavan Dela Cruz, Chair and Sharon Moriwaki, Vice-Chair
February 29, 2024 Page 3

when Kauai amended its zoning code to restrict such use); *Waikiki Marketplace Inv. Co. v. Chair of Zoning Bd. of Appeals*, 86 Hawaii 343, 353 (1997) (noting HRS 46-4’s protection of lawful uses of property was grounded in constitutional law). ⁷ *Haw. Legal Short-Term Rental All. v. City and County of Honolulu*, 2023 U.S. Dist. LEXIS 227895 (D. Haw., Dec. 21, 2023). protection against any effort to amortize or phase out certain politically disfavored residential uses. Although the HILSTRA litigation included claims that Honolulu’s Ordinance 22-7 – which attempted to eliminate lawful residential uses of rentals less than 90 days – violated the Hawaii and United States Constitutions’ protections of private property and due process, the District Court of Hawaii did not need to decide those constitutional claims. Enactment of a bill like SB 2919 will still run head long into the constitutional protections.

2. Legal “Short-Term” Rentals Are Used By Hawaii Residents. Contrary to the false narrative that short/shorter term rentals are only used by tourists, they are essential to Hawaii residents. As noted by the District Court in the HILSTA litigation, restricting the ability of homeowners to legally rent properties on a month-to-month basis impairs “(1) service members’ ability to easily transition to or from on-base military housing; (2) traveling medical practitioners’ ability to provide contracted care at O‘ahu health care facilities; (3) local residents’ ability to transition between homes; (4) contractors’ abilities to perform work on O‘ahu; (5) displaced residents’ ability to find housing following natural and man-made disasters, including the Red Hill fuel leak, fire and flood; (6) neighbor island residents’ ability to travel to O‘ahu for medical care or events; and (7) other individuals’ ability to travel as they prefer.”⁷ This is no less true for hula halau travelling to Hilo for Merrie Monarch, or canoe clubs competing inter-island. There are many Hawaii residents who cannot or do not need to enter year-long rental arrangements as their housing, employment or travel needs require.

3. Legal “Short-Term” Rental Generate Millions In Tax Revenue For Hawaii. Studies have shown that alternative accommodations like “short-term rentals” provide significant benefits to Hawaii’s economy. According to the Department of Business, Economic Development & Tourism’s Vacation Rental Performance Report (2022), the total state and county revenue from short-term rentals in 2022 was

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Sen. Karl Rhoads, Chair and Mike Gabbard, Vice-Chair
Senate Committee on Ways and Means
Sen. Donavan Dela Cruz, Chair and Sharon Moriwaki, Vice-Chair
February 29, 2024 Page 4

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HTA Economic Impact Model. 9 1980 Hawaii House Journal (Standing Committee Reports) at 1176-1177. 10 Haw. Legal Short-Term Rental All. v. City & Cnty. Of Honolulu, 2022 U.S. Dist. LEXIS 187189 n. 19 (D. Haw., Oct. 13, 2022). \$740,000,000! In 2023, the total direct visitor expenditures from short-term rentals was \$4.8 billion, the total sales generated was \$8.9 billion, the household income generated was \$2.4 billion and the number of direct and indirect jobs supported was 48,639.8 This is a direct and substantial economic benefit to Hawaii's economy, which would be dramatically impaired by legislation like S2919. 4. The Legislature Intentionally Protected Residential Use In Hawaii. As was observed in 1604 by Sir Edward Coke, "the house of every one is to him as his Castle and Fortress". This was equally evident to Hawaii's legislature in 1980 when it placed residential uses above all others by amending HRS 46-4 to enact the prohibition on zoning away residential uses.⁹ The Legislature should not begin to erode those protections, which allow Hawaii residents to use their homes to meet their living and income needs. 5. The Legislature Has Wisely Refused Previous Efforts To Amend HRS 46-4. SB 2919 is only the latest attempt by Hawaii's counties to amend HRS 46-4 in this fashion. As the District Court observed "the State Legislature has been lobbied by the DPP and other counties since at least 2014" to amend HRS 46-4 to grant counties the power to amortize or phase out nonconforming or otherwise allowed short-term rentals.¹⁰ Year after year, the Legislature has declined the counties' invitation to water down the protections afforded for residential uses by HRS 46-4. The counties already have the power to eliminate short-term or transient accommodations if they desire. The Legislature has granted each county with the power of eminent domain. HRS 46-61. Thus, each county already has the power to take private property for public purposes, upon the payment of just compensation to the owner. Should the counties wish to eliminate lawful residential uses of property quicker than the already permissible means of discontinuance, then each already has the power of condemnation, which is the constitutionally permissible way to take private property rights. DAMON KEY LEONG KUPCHAK HASTERT hOWGii|w, Ye, _cOm® A LAW CORPORATION Senate Committee on Judiciary Sen. Karl Rhoads, Chair and Mike Gabbard, Vice-Chair Senate Committee on Ways and Means Sen. Donovan Dela Cruz, Chair and Sharon Moriwaki, Vice-Chair February 29, 2024 Page 5 11 Lamar Adver. of S. Ga. v. Albany, 389 S.E.2d 216 (Ga. 1990); Hoffman v. Kinealy, 389 S.W.2d 745 (Mo. 1965). 12 Lamar Adver. Of S. Ga. v. Albany, 389 S.E.2d 216 (Ga. 1990). 13 Hoffman v. Kinealy, 389 S.W.2d 745, 750 (Mo. 1965). 6. Passage of SB 2919 Will Generate Litigation. Courts in other jurisdictions have ruled that amortization as a means to eliminate private property rights is an unconstitutional taking of private property without compensation.¹¹ The Georgia Supreme Court, interpreting its constitutional protection against private property being "taken or damaged" – the same language found in Hawaii's Constitution – held that the uncompensated amortization of nonconforming signs was an unconstitutional taking of private property.¹² The Missouri Supreme Court held that "zoning zealots" used the amortization technique to eliminate preexisting lawful uses and that such elimination was unconstitutional.¹³ Thus, the counties' invitation to the Legislature to grant them an arguably unconstitutional power may well invite litigation against the State. And, if SB 2919 is passed and zoning laws are amended to amortize certain disfavored residential uses, the counties themselves will surely be sued.

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ChatGPT

The recent federal lawsuit victory by HILSTRA in the United States District Court, District of Hawaii – Hawaii Legal Short-Term Rental Alliance v. City and County of Honolulu, Civ. No. 1:22-cv-00247-DKW-RT – affirmed the protection of lawful residential rentals under HRS 46-4, preventing the City and County of Honolulu from amending its zoning ordinance to prohibit previously lawful rentals of residential property of 30 to 89 days. The District Court affirmed that such rentals constitute a "residential use" protected by HRS 46-4 against using zoning laws to eliminate lawful residential property uses in Hawaii. HB1838 is an attempt to circumvent the District Court's ruling and established constitutional principles underlying HRS 46-4.

Lawful residential rentals are constitutionally protected vested rights, as codified in HRS 46-4, initially enacted by the Legislature in 1957. This statute prohibits the adoption or amendment of zoning ordinances to eliminate lawful residential uses of property in Hawaii. The protection of preexisting lawful uses aligns with underlying constitutional principles, as recognized by Hawaii's appellate courts. The Legislature's 1980 amendment of HRS 46-4 further safeguarded residential and agricultural uses from amortization or phasing out in residentially zoned districts.

While the counties have advocated for amendments to remove restrictions on certain residential uses, such changes would be ineffective due to the constitutional protections embedded in HRS 46-4. Legal "short-term" rentals serve essential purposes for Hawaii residents, such as facilitating transitions, accommodating displaced residents, and supporting various activities across the islands.

Moreover, legal "short-term" rentals generate significant tax revenue for Hawaii's economy, contributing billions of dollars in direct visitor expenditures and supporting tens of thousands of jobs. The Legislature has consistently refused previous attempts to amend HRS 46-4, recognizing the importance of protecting residential uses in Hawaii.

Passage of SB2919 would likely result in litigation, as courts in other jurisdictions have deemed amortization of private property rights as unconstitutional. Granting counties the power to amend zoning laws to amortize certain residential uses could invite lawsuits against the State and the counties themselves. Therefore, SB2919 should be vehemently opposed to uphold constitutional protections and prevent potential legal challenges.

Aloha,
David Hall

SB-2919-HD-1

Submitted on: 4/1/2024 3:59:47 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deb Black	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha -

I vehemently oppose Senate Bill 2919 (SB2919) due to its egregious disregard for fundamental property rights protected by both the United States Constitution and the Hawaii State Constitution. Specifically, SB2919 sanctions the amortization of existing transient accommodation uses within residential and agricultural zones, constituting a direct assault on established legal principles.

Primarily, SB2919 mandates the cessation of lawful transient accommodation activities, effectively effectuating a taking of private property without just compensation. This flagrantly violates the Takings Clause of the Fifth Amendment and Article I, Section 4 of the Hawaii State Constitution. Moreover, by creating legal uncertainty for property owners' protected rights, the bill infringes upon due process under the Fourteenth Amendment. Notably, Hawaii Revised Statutes § 205-2 defines "residential use" broadly to encompass dwellings, a definition SB2919 arbitrarily excludes for transient accommodations.

Furthermore, SB2919 contradicts established legal precedent set by the Hawaii Supreme Court, which consistently upholds the right to maintain nonconforming residential uses, including transient accommodations. Additionally, the statute directly conflicts with the protections provided by Hawaii Revised Statutes § 205-16(a)(3), explicitly exempting existing single-family and duplex dwellings from conforming to zoning changes.

Moreover, SB2919 undermines the state's constitutional mandate to safeguard agricultural lands and promote agricultural businesses. By authorizing the amortization of agricultural operations incorporating transient accommodations, the bill directly contradicts Article XI, Section 3 of the Hawaii State Constitution and Hawaii Revised Statutes § 205-4.2(d).

Additionally, SB2919 displays a concerning pattern of selective targeting by singling out transient accommodations for potential amortization within residential and agricultural zones. This targeted approach raises concerns about arbitrary treatment and potential violations of equal protection under the law.

Finally, SB2919 egregiously violates due process by failing to comply with the essential safeguards outlined in Hawaii Revised Statutes § 205-4.5(a), further depriving landowners of crucial knowledge regarding the lifespan of their existing use, thus violating their constitutionally protected property rights.

In conclusion, SB2919 is unlawful and poses a significant threat to property rights, established legal precedent, and the state's commitment to agriculture. Therefore, this bill must not pass, and I urge you to vote No on SB2919.

Sincerely, Deb Blacks

SB-2919-HD-1

Submitted on: 4/1/2024 4:01:54 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
jeanne wheeler	Individual	Oppose	Written Testimony Only

Comments:

Aloha: I feel strongly this bill is mainly to support the hotel industry & not necessarily those local families who may supplement their income by renting out small structures on their property or rooms in their own homes. Please do NOT pass this! Mahalo for considering my comments.... JW

SB-2919-HD-1

Submitted on: 4/1/2024 4:01:59 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marirai Tauotaha	Individual	Support	Written Testimony Only

Comments:

Aloha e Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Mahalo me ka ha'aha'a,
Marirai Tauotaha

SB-2919-HD-1

Submitted on: 4/1/2024 4:20:43 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Esrey	Individual	Oppose	Written Testimony Only

Comments:

My name is Jacqueline Esrey. I own a home I occupy. I have been a resident of the North Shore (Haleiwa) for 30 years. I have been a hard working taxpayer here on Oahu my entire residency. I have a rental I would like to recontinue having. I believe from my experience with my home and rental that visitors appreciate options of places to stay when visiting Oahu. Most have communicated with me if they did not have an option of a home like experience and learning about the lifestyle and etiquette of our beautiful island. In addition I am aware there are taxes that are collected by the state and City and county and I prepared to pay those taxes. I refer my guests to local venues and excursions as this brings business to our community. I found the less options visitors have the less likely they are to visit our beautiful island. I live on the property and maintain a quiet and peaceful atmosphere as I teach visitors about our culture as well as the dos and don't of our community. I strongly believe if I am living in the home I should be able to choose who stays. I have rented out my property to more long term in the past and found the result is squatters who won't pay a reasonable rent and destroy my property causing me and my family unnecessary difficulties potentially leading to losing my home as a result. My son is of Hawaiian decent and I am doing my best to create a healthy education experience for those visiting while being respectful to all neighbors and surrounding residents.

I have learned that visitors are so grateful and choose to return.

I understand concerns of our community. However I do not believe discontinuing short term rentals is the answer to the problem. I honestly know the guests I have had in the past are eager to learn and abide by our State and community laws.

Please consider my testimony as I am not a newcomer. I am a local pursuing a fair means for all of us. I believe I may be able to distribute funds throughout our community if able to keep my rental for visitors and short term options.

Sincerely,

Jacqueline Esrey

Subject: Testimony in Opposition to HB1838

To Whom it Concerns,

March 26, 2024

My name is Scott Burns. I am a US citizen and have visited and worked in Maui for over 30 years. My wife and I have spent countless days in Napili and Lahaina with our children and friends. We have many friends in Maui. We volunteer and care so much for the Hawaiian culture and natural beauty of the area. Maui is special!

A few years ago we decided to sell our property in San Diego and buy a condo in Maui, at Napili Ridge. This was our investment for our retirement and our planned residence once we retire in 8 years. We are not wealthy. We live in a modest 2 bedroom apartment in San Diego.

We rent our STR out legally part time and stay part time. We are in Maui every other month. We pay the 17.5% tax as a STR. We have friends that live in Maui and when they have friends or family visit from the mainland, or inter-island they rent our place. Our fee is less than half that of hotels and allow many that are not wealthy to visit.

We employ cleaners, carpenters, HVAC service people, plumbers, not to mention the support our guests provide to the restaurants, bars, shops, etc. in the area. We spend over \$16.7k per year for these services. These jobs are the lifeblood of Maui. Our rental contributes more than \$22.5k per year in taxes alone for the support of the state of Hawaii, County of Maui. These taxes help people that are in need of financial assistance.

If our STR is eliminated, we will keep it and offer our place for free to our friends, our local friend's families that come to visit and our family, if they cannot afford hotels. And that is most of these people. The tax revenues to the State and County will be eliminated of course and our retirement plan will be eliminated.

Napili Ridge is zoned, and always has been (since 1972) as short term rental. The local government has had over 50 years since then to manage the development and supply of affordable housing, and has not. The government had the opportunity to take the recommend safety measures to protect Lahaina from a fire disaster, and did not. Now, the government wants to attempt to solve a problem by taking the rights and livelihood away from hard working, tax paying citizens. That is unacceptable and will result in far reaching unintended consequences.

Respectfully submitted,

Scott Burns

To Whom It May Concern:

I would like to offer my testimony for SB 2919. However, I am forced to do so anomalously due to the stories many of us have witnessed and heard of how when a TAR host has attempted to voice their concerns they were then misinterpreted and suddenly became directly targeted by the Hawaii County Planning Department which became a threat to the livelihoods of those directly and indirectly involved.

Sadly, I know many TAR hosts or locals (*housekeepers, landscapers, and maintenance workers*) will not present their testimonies due to this very real fear so many of us have that the council that represents us does not listen (*as have been very present with Councilperson Kimball during the development of this bill – “don’t bother trying, it will just fall on deaf ears” is a common comment*) and/or the ramifications that will happen if we do speak up regarding our concerns.

I do hope that the present Council will listen to the people they represent and review the majority of opposition this Bill has generated since its conception.

Myself and most TAR owners understand the real situation and that new strategies need to be established for a better future for Hawaii and its residents.

All we ask is to work *with* us. Not *against* us.

Please do not pass this Bill, at this time, as it is. So many residents and their families will lose BOTH immediately and long term because of it and not solve the real problem.

UPDATE: as of 3/13/24 I know of five more local families who have been here for four or more generation all have to leave Hawaii due to losing their jobs as housekeepers, landscapers etc due fear reactions from TAR closing their vacation rental prematurely due to the threat of this bill. The frustration of locals is 1) your ‘solution’ is causing them to lose their jobs and 2) the vacation rentals are not being converted to help locals. Due to the squatter rights in Hawaii owner such as myself will avoid renting to locals at all costs and instead 1) keep vacant 2) make available only to owner’s family 3) offer only to out of state people wishing to move to Hawaii.

Please take the time to listen, really listen to what we have to offer to help you solve this problem for the long term.

A win for you. A win for us. A win for all Hawaii residents is possible.

Aloha,

One of many concerned citizens of Hawaii.

1. This is testimony is against SB 2919
2. My TAR is in the South Kona District.
3. The income from my TAR has allowed me to maintain my property and pay taxes and establish enough supplemental income that I have been able to put money back into the local community including providing income to multiple service providers (*housekeepers, landscapers, maintenance workers etc*), so they and their families may continue to live and grow up here in Hawaii.

After speaking with my workers about how SB 2919 will significantly reduce or **eliminate TARs to make more housing available** for them... which also **means eliminating their jobs** as housekeepers, landscapers, and maintenance workers.... **they are very scared!**

SB 2919 approach that is presented in an attempt to solve a problem, will instead, create many more problems in its wake. Sadly, many locals are unaware this will happen to them and/or they are scared to speak up to the Council about how this Bill directly hurts them much, much more than helps them.

4. This approach will generate more unemployment...
 - *Creating any situation that reduces TARs or require TARs to convert to LTR will immediately eliminate 1000's of local jobs (housekeepers, landscapers, and maintenance, property caretakers etc) that locals and their families depend on to survive here. Without these jobs these people will lack the ability to afford to live here and ultimately be forced to leave the island, as so many have already.*
5. This approach is attempting to force LTR prices to be reduced...
 - *which, research will show that prices will not reduce or be reduced enough to make any significant or insignificant difference to the current situation.*
6. This approach is attempting to increase the number of long-term rentals...
 - *I know I am not alone when I say a majority of us will **NOT convert from TAR to LTR**. We would rather keep our units vacant and establish other sources of income than shift to LTRs. **The list of risks including financial is just too great with LTRs here in Hawaii due to current Tenant/Landlord laws.***

THE REASONING:

- Originally, I had LTR. I did not want to deal with the complexities of TAR. However, after the continual negative experiences of having LTR dominating and the ongoing real threat of non-paying tenants taking advantage of the ease of leveraging Squatter Rights here in Hawaii, and tenants not respecting other basic county laws i.e sound ordinances, health, safety, occupancy numbers, and the difficulty we as Landlords face trying to enforce these due to current tenant rights... I converted over to TAR.

- Having LTRs I not only lost income, but I also still had to pay the utilities consumed by the non-paying tenants while waiting to move through the long legal and costly eviction processes. In the end I was unable to recoup any of the lost income and utility costs consumed by this financial resource. A LTR is a significant financial burden that most will not return to until the tenant/landlord laws are drastically changed.

NOTE: Additional risks of LTR and why most will not convert their TARs and will choose vacancy instead:

- i. From first-hand experience, the chances and risks are very high for renting to local long-term tenants who does not choose to have a standard of living that motivates them to care for their environment, follow health and safety codes, maintain construction to code nor respect the current quiet hours.
- ii. With LTR tenants I had more issues with tenants hosting unapproved parties with other local families and friends not honoring the 10pm quiet hours and disturbing neighbors. When forced to involve the police to manage the tenant. In retaliation, the tenant compromised both health, safety, and construction codes that due to current tenant laws made it almost impossible for me as a landlord to enforce until after the eviction which took many, many months to achieve.
- iii. Long-term tenants exceed, without approval, the agreed or legal number of occupants by bringing friends and/or family to live with them and compromising both health and safety codes.

The bottom line due to current tenant rights the chances of having tenants that will violate basic renter standards are too high and the ability to enforce any health and safety codes and avoid property damage or neglect is very, very difficult.

For most of us who have additional units, the risks of maintaining LTR are too high and converting is not a viable option. If forced out of TAR business these units will remain vacant, and will only produce a greater loss for everyone.

The majority of the solutions presented needs to be revisited and other options considered and presented. As currently presented it will not solve the problem. Instead, it will generate more problems in both the short and long term for both the local people it was intending to help and the long-term sustainability of the economy of Hawaii.

Thank you for your time and for considering the considerable amount of negative ramifications this Bill will present both immediately and over the long term to those it is attempting to help.

Sincerely,

A concerned citizen of Hawaii.

SB-2919-HD-1

Submitted on: 4/1/2024 4:40:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kyle Schleicher	Individual	Oppose	Written Testimony Only

Comments:

Hello my name is Kyle Schleicher... I have a one bedroom short-term rental at Kuilima West:

57-101 Kuilima Drive, #195
Kuilima, Hawaii 96731

I've very diligent paying all my taxes including my biannually fee to keep up my short-term rental license. I'm retired due to (and recovering from) severe stroke 6 years ago. So this is important to keep my short-term rental retirement income going. That's what I've been very diligent in paying the short-term rental fees every 2 years less 14 years. I really hope that you realize how important this is for me and any other people who are retired and for the community I can't pay normal resort costs. Thank you so much, Kyle Schleicher 310-871-9443

SB-2919-HD-1

Submitted on: 4/1/2024 4:42:43 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nalani	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

*Sincerely,
Nalani Abellanida*

SB-2919-HD-1

Submitted on: 4/1/2024 4:50:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeremy Daniel	Individual	Oppose	Written Testimony Only

Comments:

Please, I beg of you. Do NOT pass this bill!

It's just a bad idea. There are so many legitimate applications and NEEDS for short-term housing in Hawaii. I think about new residents moving here, for traveling medical personell, for temporary workers, and for people like me with a fully registered, legal Short Term Rental, it is unethical to pass this bill.

The financial ramifications for all involved is unimaginable, and you will be hurting families and rewarding big corporations and foreign investors if you pass this bill.

SB-2919-HD-1

Submitted on: 4/1/2024 5:02:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Dehen	Kona Bubbles	Oppose	Written Testimony Only

Comments:

I understand the desire to curtail short-term vacation rentals to prevent loss of affordable housing. However, the moratorium already in place prohibits any new STVRs in non-conforming areas, so additional restrictions are clearly only in support of the hospitality industry and its lobbyists. Without the tax revenue from the small STVR operators, the state will have fewer resources to manage the STVRs that already exist. This is cutting off your noses to spite your faces and makes no sense for the Hawaiians who rely on the ability to sublet their homes to make ends meet.

SB-2919-HD-1

Submitted on: 4/1/2024 5:07:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kim Ruffner	Individual	Oppose	Written Testimony Only

Comments:

RE BILLs: SB 2919, SD2, HD1

Aloha Legislators,

I am writing requesting that you help **defeat** bills SB2919, SD2. HD1

My parents purchased 3 condos on Maui in 1972 . The complex was a dream of the late Senator Wadsworth Yee to bring tourism to Maui and put people to work. **Hawaii State Senator Wadsworth Yee passed away May 9, 2012. Governor Neil Abercrombie ordered all national and Hawaii flags flown at half-staff. Governor Abercrombie stated “Senator Yee leadership as a veteran, public servant, businessman and developer truly shaped the Hawaii we know today. His legacy is continued in our public and private institutions, and he will be dearly missed.”**

My parents left the units to me to make sure that I had an income for the rest of my life. I will be 80 this coming August. I live with my husband, who is Hawaiian Chinese, on the island of Oahu. The units on Maui are second homes to our family when not rented. We rent mostly to **Law Enforcement across the United States**. About ¼ of the rental income is from AirBnB. The ¼ helps pay the high property taxes, AOA dues, upkeep, and lets me offer the units to First Responders “Law Enforcement” at a discounted price.

Letter sent to all **LAW ENFORCEMENT AGENCIES in the UNITED STATES:**

Our family-owned condos on Maui are available and affordable to law enforcement families at a discount. My son, who has done 26 years as a Ventura County Sheriff’s Office deputy, has finally retired as a Sergeant. He explained to me that the tough events he experienced, especially his on-duty shooting (OIS), took a toll on him. Having a place to vacation away from the work environment proved beneficial to him and his family over the years. All the night shifts on patrol, call outs working the Major Crimes Unit, and working holidays, effected those close to him. Since our family opened our second homes to other officers/deputies and their families, many have expressed how the time away recharged their own family units. It’s a small way for our family to share the Hawaiian experience with our extended law enforcement family. My son always said officers and deputies fill

their “emotional cups” with societies’ worst experiences and need a way to empty them before it spills over into their personal lives.

The cleaners of my condos are the Vargus family of Lahaina. They lost their 15-year-old adopted son in the fire. They have pleaded with me to keep them working with my rentals to help them get back on their feet.

These bills would give the Counties full authority to phase-out rentals in any zoning. This includes disallowing rentals for less 180 days or Short-Term Rentals. **First Responders cannot take long vacation and afford eating every meal at restaurants!**

Please DEFEAT these bills.

Mahalo

SB-2919-HD-1

Submitted on: 4/1/2024 5:25:11 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marcel Hernandez	Individual	Oppose	Written Testimony Only

Comments:

Thank you for this opportunity. I will start off by saying that I am retired and operate a legal vacation rental from the second house on my property. The small income we make plus social security and some consulting jobs allow us to survive in the Hawaii economy. I pay my taxes and I vote.

Hawaii has always had cottage industries -- fruit stands, lei stands, smoked ahi from the back of a pickup on the Hamakua-Hilo highway and vacation rentals. It used to be the honor system at fruit stands -- there would be a cashbox to leave your money in and make change. The mainlandization of Hawaii traditions has taken over.

SB 2919 is a bad bill. It disrupts an Island tradition and further diminishes the Hawaii experience. It will negatively impact the local economies in small towns and villages where many vacation rentals exist. It will further undermine the ability of retirees and middle class residents to live in Hawaii. It will lead to sadness and over-regulation of an industry that has been, for the most part, successfully self-legislating.

Yes, set standards for cleanliness and safety. Yes, make sure we all pay our taxes. But please take care to not over-legislate.

Marcel Hernandez,

Honokaa, Big Island

SB-2919-HD-1

Submitted on: 4/1/2024 5:43:22 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Per Gunnar H Westerdal	Individual	Oppose	Written Testimony Only

Comments:

Dear Sirs,

We are writing to tell you how financially devastating this bill would be on us. I am 83 and my wife is 78.

We are retired seniors who have owned and rented our condo unit in the Royal Kuhio, in Waikiki since 1980, over 43 years.

We have paid taxes and followed the rental laws for all these 43 years.

We depend upon the income from short term rentals to pay our mortgage and operating expenses.

If this bill passes we will be forced to sell our condo as this would impose a serious financial hardship on us. Long term rentals produce a much lower income and we can't afford to subsidize the expenses. We have a non conforming use certificate.

Please consider a less restrictive bill to allow short term rentals.

Sincerely,

Per & Melody Westerdal

SB-2919-HD-1

Submitted on: 4/1/2024 6:03:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Francis Larkin	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members of the Hawaii State Legislature:

I strongly urge you to oppose Senate Bill 2919 HD1, which would grant counties the authority to amortize and phase out transient vacation rental units in any zoning area. This bill poses a serious threat to our local short-term rental business and the tourism industry that is vital to Hawaii's economy.

Our company employs 6 local residents to manage and maintain our vacation rental properties in Maui. These are good jobs that allow our employees and their families to make an honest living. Phasing out vacation rentals would directly lead to many of them losing their livelihoods. Beyond just our company, vacation rentals support thousands of jobs statewide for property managers, cleaners, maintenance workers, and more.

Moreover, vacation rentals provide an affordable lodging option for families and budget-conscious travelers visiting Hawaii. The high cost of traditional hotels already prices out many potential tourists. Removing vacation rentals from the market would make a Hawaii vacation completely unaffordable for many and drastically reduce the number of visitors to our islands. This would be disastrous for our tourism-dependent economy.

Tourists that vacation in rental homes also provide substantial economic activity beyond just their lodging costs. They patronize local restaurants, shops, attractions and contribute significantly to the tax base that funds critical state services. Without viable, affordable accommodations, we would see far fewer tourists and lose out on these tremendous economic benefits they bring.

Rather than eliminating vacation rentals, we should look for balanced policies that allow regulated, responsible rentals to continue operating and contributing to our islands' economies. Please oppose SB 2919 HD1 and preserve our vital short-term rental industry in Hawaii. Thank you for your consideration.

Sincerely,
Francis Larkin

SB-2919-HD-1

Submitted on: 4/1/2024 6:06:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pamela Polland	Individual	Oppose	Written Testimony Only

Comments:

Once again, I PLEAD with you to NOT pass this legislation. I am a Maui fire victim, a single, senior woman, and my sole income depends on my small vacation rental. I have lived on Maui since 1976, and in my home in Kula for almost 30 years. If I cannot rent out part of my house as a vacation rental, I will not be able to afford to stay in my house, or possibly even on Maui. Please don't take away this right - I pay my 17% taxes religiously, I am fully permitted, and it threatens everything about my life to think this Bill will pass. PLEASE OPPOSE IT.

mahalo, Pamela

SB-2919-HD-1

Submitted on: 4/1/2024 6:26:11 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ying Peng	Individual	Oppose	Written Testimony Only

Comments:

I oppose against SB2919 SD2 HD1. If this new law is released, there will be huge shortage in the transient rental in Hawaii. The price of hotel is be significantly increased by their owner.

SB-2919-HD-1

Submitted on: 4/1/2024 6:43:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susy Downer	Individual	Oppose	Written Testimony Only

Comments:

I have many friends who have service jobs who will lose them if there is a sudden ecrease in short term rentals.

SB-2919-HD-1

Submitted on: 4/1/2024 6:55:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Louise Simrell	Individual	Oppose	Written Testimony Only

Comments:

In 2016 my son bought a large house to provide me with a home and a vacation rental to provide income to pay land taxes (over 10,000.), utilities and insurance. Without this income, the monthly expenses will not be covered. The vacation rental was furnished at great expense. Completely furnished, it would not work as a long term rental. Additionally, we have approval from our HOA and on 2.5 acres, have no near neighbors.

Guests love staying here, would stay at a hotel if they chose to. It seems the hotel industry and its supporters are behind the attempt to rid the state of its much appreciated vacation rentals. I understand that some VRs cause problems in certain neighborhoods. Those problems should be dealt with on an individual basis. A Kailua/Kaneohe/Kailua Kona problem should not affect those of

us in rural areas.
Mahalo,

Louise Simrell

SB-2919-HD-1

Submitted on: 4/1/2024 6:56:01 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Devaki Holman	Individual	Oppose	Written Testimony Only

Comments:

I am a Kauai resident of more than 50 years. I am now 79 & I am totally dependent on my Vacation Rental Income. I greet every vacation renter who comes to stay in my vacation rental & explain the rule of no noise after 10PM. It also says that on the inside of their front door. My vacation rental is a legal ADU attached to my house so I can keep my eye on vacation renters to be sure they obey all rules. I limit the number of guests to 2 adults. I also don't allow smoking anywhere on the property. I know my neighbors & have never received a complaint. I hope you will continue to allow Vacation Rentals. Aloha, Devaki Holman [REDACTED]

[REDACTED]

SB-2919-HD-1

Submitted on: 4/1/2024 6:59:02 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jill Chapman	Individual	Oppose	Written Testimony Only

Comments:

STRs are not the problem. This bill will kill the golden goose. Our properties--1 bedroom condos and Ohanas aren't the solution to the housing crisis.

SB-2919-HD-1

Submitted on: 4/1/2024 7:10:51 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Macalik	Individual	Oppose	Written Testimony Only

Comments:

I believe that by not allowing short term vacation rentals this will have a very negative impact on tourism and the money generated by it. If you want to phase out short term vacation rentals them it shiould be done in a "grandfathered" way.

SB-2919-HD-1

Submitted on: 4/1/2024 7:19:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alan Smith	Individual	Oppose	Written Testimony Only

Comments:

I am completely against any bill that will allow Hawaii County to further restrict citizens rights to rent out their property as a vacation rental. Hawaii County's track record since enacting the most restrictive rules in the state has been abysmal. Our corrupt legislators have enacted everything the hotel owners in Kona have asked for and they will continue to do this. I live in Puna district (the poorest district in the state). It's a district with NO hotels, virtually no jobs and widespread poverty. Pahoa is the largest town and is slowly dying - the locals can't afford to patronize the local businesses and yet our stupid legislature keeps restricting vacation rentals here, which are the only source of income for myself and many others. Out of state and international visitors used to rent homes on Airbnb, VRBO, etc but our legislators have put nearly all of the vacation home owners out of business and Puna will continue to die. I've been renting my house out (usually for 1-3 months over winter) while I travel overseas (the cost of travel in Hawaii has made Hawaiian travel completely unaffordable and out of the question). The money I receive from renting my otherwise empty house partially pays for my travel and the vacation renters who have stayed at my house I'm sure are spending more money than I ever will at local businesses. I've also paid thousands of dollars in GET and TAT to the state and county. In future I'll probably still travel outside of Hawaii but my empty house will generate NOTHING in tax revenue and business for the shops in Pahoa and Hilo. We get a lot of day trippers from Kona in Puna and if they're not staying overnight then at most they are buying a tank of gas on the east side and contributing NOTHING to our economy in Puna.

in conclusion, our useless county legislators are too easily swayed (\$\$\$) by the hotel industry on this island and can't be trusted to act for the good of the residents of Hawaii County. The rules restricting vacation rentals have already gone too far here for the benefit of a very small minority of people and businesses. If the purpose of these laws are to create more affordable rentable housing, then it's been a complete failure so far. Hawaii's unaffordable housing has been created by the hotel & restaurant industry who pay wages that don't pay enough for people to live here - fix THAT problem by raising the minimum wage or forcing the large employers who pay a non-living wage (I.e. the hotel industry) to provide affordable housing for their underpaid employees, forcing people who make at most a few thousand dollars a year off renting their homes to visitors is NOT an efficient or fair way to fix Hawaii's unaffordable housing problems.

SB-2919-HD-1

Submitted on: 4/1/2024 7:25:35 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tim and Mitzi Fant	Individual	Oppose	Written Testimony Only

Comments:

We strongly oppose SB 2919 as it will have greatly unanticipated consequences to Maui. Not only do vacation rentals contribute significantly to Hawaii's economy, they provide employment and generating tax revenue. Additionally, this would negatively impact tourism and the visitor experience and only favor major hotel chains which would be the only choice for people visiting Maui, thereby potentially reducing tourism as well as having hotel chains set the price for all short term rooms on the island. Short term rentals offer a completely different experience than hotels and offer a completely unique experience, local flavor, and affordability. Eliminating this option might affect tourism and visitor satisfaction.

If short term rentals are banned, property owners who rely on vacation rentals for income may face financial hardships if their investments lose value due to zoning changes.

Rather than an outright ban, opponents propose long-term solutions:

- **Conversion Incentives:** Encourage property owners to convert short-term rentals to long-term housing by providing incentives or tax breaks.
- **Zoning Flexibility:** Allow counties to adjust zoning regulations without eliminating vacation rentals entirely.
- **Balancing Interests:** Strive for a balanced approach that considers both housing needs and tourism.

Thanks

Tim & Mitzi Fant



Dear Hawaii State Senator,

I am writing to you concerning SD2919, SD2, HD1. I own a permitted short term vacation rental (STVR) on the Big Island and strongly disagree with this bill. It seems the state has been trying for several years to get rid of STVR for reasons I can only believe is pressure from the hotel lobby on the islands because it gives tourist an alternate, less expensive means of visiting the islands; thereby allowing more people to visit the islands. My house has had hula dancers staying for the purpose of dancing in this important festival honoring Prince David Kalakaua. You get rid of STVR, you will negatively impact the festival in a manner counterintuitive to what it celebrates. During this time of Merrie Monarch, STVR are the backbone of giving people an option to stay in dwellings that won't break them financially.

The permitting process which was implemented in 2019 severely impacted and regulated the STVR; and now **YOU WANT TO CHANGE THE LAW AGAIN** and do **AWAY** with STVRs. Of course the State legislature **NEVER OFFERS REASONS** for the removal of STVRs. This bill does **NOTHING** to fix the housing crisis, though that is sometimes the reason I hear for these kinds of bills. If you want to fix housing, TRY RAISING WAGES OF THE PEOPLE WHO WORK HERE or TRY BUILDING AFFORDABLE HOUSING. This State has one of the lowest hourly wages in the country. The permitting process makes sure STVR are properly kept and managed. Which is more than what the State does to manage long-term rentals. There is a long-term rental next door to my STVR and the place is disgusting. Mold growing on the outside of the building and I am told mold growing on the inside. The yard is completely unkept and the owner just lives a couple of houses down the street. The State could make the rules even stricter, but give the owners the ability to respond. My STVR receives rave reviews, guests feel my place offers a wonderful alternative to hotels. These STVR are the backbone of the small business community in the state of Hawaii, they are owned by local people trying to supplement their income. The tourist that visit these islands via STVR bring support to local stores and businesses in the community. Hawaii is a tourist state (there are NO major industries here), and reducing the number of tourists that can make it to the islands, as this bill will do, will severely impact the residents of these islands that are trying to make a living. PLUS, I hire local people to do the housekeeping, yard work and maintenance on the building. Helping further the economy of the local business people. This bill is a waste of my tax payer dollars. The state has many REAL problems that the legislature should be working on to fix. The following are just a few issues plaguing the state: joblessness, effects of global warming, fixing public schools, fixing roads, reducing business red tape and eliminating the apparent corruption of the State Legislature. Try focusing on these problems which will help the residents of the state, which after all is the function of the State Legislature.

SB-2919-HD-1

Submitted on: 4/1/2024 8:32:24 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Bambara	Individual	Oppose	Written Testimony Only

Comments:

Please oppose this bill due to the fact that this type of blanket approval to eliminate or amortize existing businesses, which are actually creating jobs closer to many of our population's homes here in Hawaii county.

Why not at least implement something that would allow for a case by case analysis rather than further blanket hamstringing smaller entrepreneurs living on the island? This bill simply creates more of a stronghold for purely big business hotels who send their profits off island for the most part and care nothing for the local people or economy.

Please work harder to find a way and create a bill with languaging that cuts to the heart of the greedy taking advantage of their position to own multiple homes and using Hawai nei as their second or third homes, but at the same time please try to create language in the bill to still manage to encourage smaller local businesses run by people living on the island FULLtime and those wishing to work closer to their homes. We here in Hawaii county must drive 2 hours each way to work and the hotelier's have plans to bring in off island labor cheaper and circumvent the local population even more. Succumbing to the lobbying of behemoth hotelier's doesn't support the local economy as much as the pockets of corporations whose owners and conglomerates live mostly OFF island.

Please support local people and local economy with something that doesn't punish the small entrepreneur and only supports giant corporate hoteliers who care nothing for Hawai nei or her people by opposing this bill.

Mahalo for your time and consideration.

SB-2919-HD-1

Submitted on: 4/1/2024 8:44:28 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leila Morrison	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Leila Morrison

SB-2919-HD-1

Submitted on: 4/1/2024 8:57:28 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chevelle Davis	Individual	Support	Written Testimony Only

Comments:

To: House Committee on Finance

Re: SB 2919, SD 2 HD 1 – in strong support

Hawai'i State Capitol, Conference Room 308

April 2, 2024, 4:00 p.m.

Aloha e Chair Yamashita, Vice Chairs Kitagawa, and Members of the Committee:

Mahalo for the opportunity to testify in **STRONG SUPPORT** of **Senate Bill 2919, SD 2 HD 1 – relating to property**, which will allow counties to enact a zoning ordinance to amortize or phase out nonconforming single-family transient vacation rental units over a reasonable period of time, as recommended by the House of Representatives shelter working group.

The legislature must prioritize the basic needs (housing) of local residents over the personal vacation and passive income desires of people who do not live here. I am the oldest of six children, and three of my siblings, all of whom are kānaka with advanced degrees, have moved to the continent because they do not see how they can survive here while raising a family due to the lack of affordable housing. We are losing our young workforce to places with cheaper living costs, which means we are losing talent, and our economy is impacted.

While I understand our housing market is a complex issue that needs to be addressed with multiple levers, this is one step toward ensuring our local families can afford to live here and bringing families who have left due to a lack of affordable housing back home to Hawai'i.

I urge you to pass SB 2919, SD 2 HD 1, and prioritize the real housing needs of our local residents.

Me ka ha'aha'a,

Chevelle Davis, MPH

SB-2919-HD-1

Submitted on: 4/1/2024 9:11:49 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Puppione	Individual	Support	Written Testimony Only

Comments:

My name is Greg Puppione, a resident of Honolulu, and I strongly support SB2919 SD2 HD1.

Our housing crisis has been exploited time and again to attack our environmental and cultural protections, in many cases without any direct benefit to our affordable housing supply. In contrast, this measure will empower counties to provide direct housing relief to their residents, and mitigate the impacts of real estate speculation on housing costs, by allowing counties to decide whether and how their housing units may be used for short-term vacation rentals instead of for long-term housing. Please pass this measure as a viable strategy to boost our long-term residential housing supply, without dismantling legal protections critical to the resilience and well-being of our islands and people.

Mahalo nui for the opportunity to testify.

SB-2919-HD-1

Submitted on: 4/1/2024 9:15:26 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amber Coontz	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Amber Coontz, full-time Maui resident

SB-2919-HD-1

Submitted on: 4/1/2024 9:22:39 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beatriz Mangoba	Individual	Support	Written Testimony Only

Comments:

Aloha, my name is Beatriz and I am calling about SB 2919. I would like to ask Chair Yamashita to pass this bill so that we can have a long term housing. My husband , me and our kids are still staying in a hotel and it's so hard for us because we need to follow or obey the rules in order for us not to be kicked out. We've been trying to look for a place to rent but it's so hard because it's very expensive that the owners or landlord is raising up the rent that we can't afford to pay. At the time of the wildfire, my oldest daughter was crying and shaking as they try to escape the fire and smoke and my son was showering with his own sweat and his clothes is so wet and you can squeeze it. I was so scared when I heard this and I'm so very thankful that they survived it. I'm proud of my son that he got courage and he don't loss hope . I hope and pray that the bill SB2919 will pass. Mahalo

SB-2919-HD-1

Submitted on: 4/1/2024 9:32:06 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lei Tata	Individual	Support	Written Testimony Only

Comments:

My name is Lei Tata, a resident of Kahuku, and I strongly support SB2919 SD2 HD1.

Our housing crisis has been exploited time and again to attack our environmental and cultural protections, in many cases without any direct benefit to our affordable housing supply. In contrast, this measure will empower counties to provide direct housing relief to their residents, and mitigate the impacts of real estate speculation on housing costs, by allowing counties to decide whether and how their housing units may be used for short-term vacation rentals instead of for long-term housing. Please pass this measure as a viable strategy to boost our long-term residential housing supply, without dismantling legal protections critical to the resilience and well-being of our islands and people.

Mahalo nui for the opportunity to testify.

SB-2919-HD-1

Submitted on: 4/1/2024 9:44:30 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sharyn Borodina	Individual	Oppose	Written Testimony Only

Comments:

Hello. My name is Sharyn Borodina and I am the owner of a condo at Kahana Reef. This condo has been in my family for 23 years. My parents purchased it the year my husband and I got married, and we honeymooned there. I have since inherited it, and our family as well as many friends enjoy using it throughout the year. My dream is that some day our teenage daughters will marry and bring their children to fall in love with the beauty of Maui. Then it will be four generations of my family enjoying this beautiful spot.

As you are aware the property taxes and other utilities are very expensive on Maui. Our little 622sqf condo paid more than \$9000 in property taxes last year which of course is our contribution to the needs of running Maui and its services well.

The way we are able to afford to keep this condo in our family, and continue to enjoy using it ourselves is because of the business we run through VRBO as a short term vacation rental.

If our ability to be able to do that changes, we will have no choice but to sell this special part of our family legacy.

I am whole heartedly against this purposal, and hope the convening authority will keep in mind that even though I dont make Maui my home, our little condo has contributed hundreds of thousands of dollers over the years in taxes. We should be allowed to continue to see this place be able to earn its keep.

Respectfully,

Sharyn L Borodina

SB-2919-HD-1

Submitted on: 4/1/2024 9:50:44 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ursua Retherford	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Ursula Retherford. I am in full support of SB 2919 SD2 HD1. For the past more than forty years I have watched in dismay as short term vacation rentals (STRs) have reduced the residential housing inventory in our Kailua neighborhoods.

For far too long, at both county and state levels, community outcry over the adverse effects of STRs on housing prices, rents, and quality of life has been effectively ignored by those in a position to do something about it. In the meantime the number of STRs has increased to an estimated 89,000 units state-wide, of which an estimated 75,000, or eighty-four percent, are not permitted. A very aggressive STR industry seems to have cowed and intimidated many in our government into ineffective enforcement of the law, despite the high number of illegal operations that have been sucking housing away from local residents.

Let's muster the political will to stand up to the financial interests of the STR industry and put the housing interests of our local residents ahead of those who are seeking alternative vacation experiences in our residential neighborhoods. The alternative experiences for our residents should not be leaving the state because they have been priced out of their homeland.

Thank you for considering this bill that would preserve each county's right to use their residential zoning in ways that protect the housing needs and quality of life of their local residents.

██████████
██████████
██████████

SB-2919-HD-1

Submitted on: 4/1/2024 9:52:34 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelsey Mapa	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires made it abundantly clear that short-term rentals contribute to the housing crisis here in Hawai'i. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up long-term rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Kelsey M

SB-2919-HD-1

Submitted on: 4/1/2024 9:56:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kalia Kapisi	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Kalia K

SB-2919-HD-1

Submitted on: 4/1/2024 9:56:50 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jordan Kapisi	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Jordan

SB-2919-HD-1

Submitted on: 4/1/2024 9:59:18 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pamela Singlehurst-Kapisi	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time. The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

Sincerely,

Pamela

SB-2919-HD-1

Submitted on: 4/1/2024 10:25:36 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tram Truong	Individual	Oppose	Written Testimony Only

Comments:

To Whom It May Concern:

Due to my injury and causing me to be unable to work. The short-term rental is the only income I have to live by. I also paid my taxes on time and brought business to the island. Please don't change it.

Thank you for your understanding.

Tram Truong

SB-2919-HD-1

Submitted on: 4/1/2024 10:41:45 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Portia Igarashi	Individual	Oppose	Written Testimony Only

Comments:

Do not take my livelihood away from me. I am in a vacation rental zoned area. My property value will decrease. Vacation rentals are needed as an option to hotels. Don't let the hotel industry be the only choice!!!

SB-2919-HD-1

Submitted on: 4/2/2024 12:28:52 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Makayla Imaoka	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Makayla Imaoka

SB-2919-HD-1

Submitted on: 4/2/2024 12:48:32 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelli Cadavona	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. This legislation seeks to provide local counties with increased autonomy to address issues according to their needs, without affecting current budgets. It allows for a thoughtful phase-out period, ensuring a smooth transition. Thank you for your attention to this critical issue.

- Kelli Cadavona

SB-2919-HD-1

Submitted on: 4/2/2024 12:49:30 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith Dunham	Individual	Oppose	Written Testimony Only

Comments:

I bought my house in 1999. It has been a vacation rental always. I relie in the money. My neighbors like that it is a vacation rental. They have stated this often. I hope you do not pass this bill.

SB-2919-HD-1

Submitted on: 4/2/2024 2:02:54 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Oberman	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose bill SB 2919 SD 2 HD1 which would allow counties to amortize or phase out transient accommodations in any zone. Phasing out Transient Accommodations, especially in my neighborhood/zone would decimate the community. Maybe locals would lose their jobs and/or lose a necessary source of income. This includes food service folks (restaurant workers and food truck owners) cleaning services, activity services (surfing, boarding biking, etc.) and local rental car agencies Many return tourists and potential Maui tourists would go elsewhere simply because affordable accommodations would no longer be available. Hotels are way too expensive for many travels.

Please vote this bill down

SB-2919-HD-1

Submitted on: 4/2/2024 2:19:05 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dezarae Alejandro	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

Had this been in affect my family and I wouldnt be struggling post fires.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Dezarae Alejandro

Testimony in Opposition to SB 2919, SD 2, HD1.

Bill 2919, SD 2, HD1 seeks to eventually phase out short term rentals in Hawaii. This would include those homes owned by long-time residents, such as myself, who have been contributing taxes and income to the Hawaiian economy for many years.

Shouldn't it be every American's constitutional right to use your property in the manner YOU decide (NOT as demanded by the state government)? Do we really want the government to dictate how we can or can't use the homes we have cared for and paid dearly for?

In my case, as with hundreds of other Hawaii resident owners, STR owners are retirees who have a limited fixed income and their rentals provide income which allows them to continue living here. It also provides us the opportunity to house, family and friends when they need arises. Such as during the pandemic, when my daughter was able to come from California to continue working remotely from Hawaii. If I was forced to have a long-term renter, as this bill would require, I wouldn't have had that option to meet the needs of my own family.

I believe Governor Green and the legislature are being very shortsighted on this issue. They are failing to look ahead to all the ramifications of this bill. Please consider the following:

1. Owners of STR pay a large amount of taxes (GET, State and County TAT). How will these funds be replaced if we no longer have this tax base available to you? Most likely it will be in raising taxes for all Hawaiian residents.
2. And what of all the local companies and sole proprietors (cleaners, gardeners, etc) currently providing services at these properties who would now be out of a job?
3. How will it affect Hawaii's tourism economy when visitors who can't afford the high hotel/resort prices, have no other more affordable lodging options available? They will most likely have to stop coming and we will become a destination for only the very wealthy. Is that what you want Hawaii to be?

I do sympathize with the Maui fire victims. In fact, I am a volunteer with the Red Cross and have worked in the shelters in Lahaina. I've seen firsthand that these victims need to have a permanent home. But there has to be a better way than to take away the rights of homeowners who are living in Hawaii and have been paying taxes and supporting the economy and Hawaiian government for many years.

As a compromise, could this bill be amended to include an exemption for resident homeowners? Those of us who are living in Hawaii and our STR property is our primary residence. I strongly believe that resident homeowners should be allowed to use their property as their individual family needs and financial needs dictate. Not as the government dictates to us.

I hope that you will seriously consider my comments and not allow this Bill to pass.

Lori Porter

SB-2919-HD-1

Submitted on: 4/2/2024 3:55:47 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Selina Lalau	Individual	Support	Written Testimony Only

Comments:

Every day, a kanaka moves away from their homage. This decision is made by their love and vision for the future of their 'Ohana. I am one of those kanaka. One day I will return to my moku, but it will be when I can better provide for my 'ohana while living in the land that our politicians have out priced us and favored wealthy haole transplants who do not care for our culture nor our 'aina as we do. Our land will call us home. In the meantime, we must act towards a better future for our home. I support SB2919. We must phase out vacation rental properties on our islands. We have all of these empty, over priced houses while natives are struggling to find a place to live. This is not Pono. We must act against these injustices. Imua.

SB-2919-HD-1

Submitted on: 4/2/2024 4:08:14 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danelle Guion	Individual	Support	Written Testimony Only

Comments:

My name is Danielle Guion, a resident of Makakilo, O'ahu, Hawaii, and I strongly support SB2919 SD2 HD1.

Our housing crisis has been exploited time and again to attack our environmental and cultural protections, in many cases without any direct benefit to our affordable housing supply. In contrast, this measure will empower counties to provide direct housing relief to their residents, and mitigate the impacts of real estate speculation on housing costs, by allowing counties to decide whether and how their housing units may be used for short-term vacation rentals instead of for long-term housing. Please pass this measure as a viable strategy to boost our long-term residential housing supply, without dismantling legal protections critical to the resilience and well-being of our islands and people.

Mahalo nui for the opportunity to testify.

SB-2919-HD-1

Submitted on: 4/2/2024 4:22:27 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vonda Smith	Individual	Oppose	Written Testimony Only

Comments:

With much respect for the people who lost their homes and are working to rebuild their future the choice to eliminate short term rental in Maui is not the solution. It only creates a larger obstacle for working residents to overcome. Local artists who depend on tourists to purchase their products, small business, rental car companies and the people that they employ, cleaning businesses for short term rental properties, tour companies and their employees will all be affected by the loss of these accommodations for travelers. The impact will be felt for the residents that live in the Lahaina area to a greater extent than ever! Guests will choose to go to other islands or other destinations besides Hawaii and the costs of accommodations will escalate and become unaffordable for average families. The state transient tax, GET tax and property taxes are already creating a decline in travel to Maui. Unfortunately, many properties with short term rental occupancy will have units go into foreclosure also creating a less than desirable environment for choosing Maui for hard earned vacation time. There needs to be a balance and long-term plan to allow the residents to return to a normal lifestyle. In talking with our friends - housekeeping, maintenance and grounds keepers, office staff, etc. - there is big concern of losing jobs if owners convert to Long Term (LTR). We have made the choice to honor and continue to rent SHORT TERM. Most of the short-term rentals are not designed or appropriate for long term family living. The solution is to provide affordable housing and assistance in rebuilding the properties that families lost. Ending short term rentals will only create more challenges for the devastated residents. Recovery efforts as in hurricane Katrina and other natural disasters need to be implemented with volunteers and assistance organizations that are trained in rebuilding homes and businesses need to be allowed to come on island and begin construction with respect for the devastation as soon as possible and the county could greatly assist in expediting this permitting and processing. Much effort needs to be directed to tiny homes and infrastructure that will provide housing that is their own not temporary living that continues to leave them displaced and prevents them from establishing the beginning of their new future. There is strong local movement for the local people to retain their culture while the support of the large local hotels from state seems to be increasing and benefiting from tax benefits and other exceptions for growth and expansion. This continued direction will devastate the small local business that have survived the Lahaina fires in addition to all the that are struggling to rebuild!

Mahalo for considering this side of the effect that this legislation will impose on the people.

SB-2919-HD-1

Submitted on: 4/2/2024 4:26:18 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Coleman	Individual	Oppose	Written Testimony Only

Comments:

This is no solution to long-term housing on Maui. Solve the long-term housing situation in appropriate ways. Maui was built on tourism and is extremely important for the local economy.

It would harm us on our vacation property on the ocean that we use three months of a year personally and rent out the remainder of time.

It would simply go vacant for nine months of the year without income.

SB-2919-HD-1

Submitted on: 4/2/2024 4:32:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Walters	Individual	Oppose	Written Testimony Only

Comments:

HB 2919 would be detrimental to the Maui economy.

SB-2919-HD-1

Submitted on: 4/2/2024 4:48:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sharon Sasser	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919, SD2, HD1. This proposed legislation are gross overreach of government power and like most laws will significantly and negatively impact disenfranchised residents who benefit from TARs the most. You have people in this state who are very wealthy, own large swaths of land and multiple properties throughout and they can weather this decision to force people to stop renting short term. They can hold on to property, let it sit empty when not using it and not have to worry about using rental income to keep it in their possession long term. However, many in this state are using their properties to help gain a financial leg up that they would otherwise not have if it wasn't for the opportunities that renting to visitors (the largest income generator in the state) provides. Government doesn't seem to be interested in the economic benefits to its most needy constituents. They seem to bend their ears and cater to the anti-TARs crowd. That is not how representation should work in government. There needs to be more objectivity and pragmatism. A lot of this push to banning TARs has more to do with a misconceptions and falsehoods. If you want to regulate rentals you should focus on those with more than one or two rentals. The ones that own 10 plus, large portfolio owners. Do not pass laws that hurt the individual mom and pop types that maybe have one or two rentals whether it be whole homes or rent by the room options. They are using the rental income to keep up with the expensive cost of living in the state. The costs that are mostly driven by the state and local government inability or maybe even willful lack of action to reduce permitting costs for builders. UHERO released a report this year that summed it up best in one sentence. Government regulation in new construction builds account for 58% of building costs. That needs to be addressed first before you start messing around with zoning and eliminating TARs. Can you focus on reducing that barrier to entry so that affordable housing can flourish versus blaming short term vacation rentals as the singular problem for the cost of home ownership? I feel like we need cooler heads thinking through these problems (take the emotions out of this) and provid better balance to solving the housing affordability/availability issue. The answer isn't always more government control and overreach. It's likely that less control/changes would do more to help this problem. Targeting the issue in other more effective ways. Discuss caps on how many vacation rentals any one entity and individual can own first. The truth is that it's hard to turn a 6K mortgage home into a 3K long term rental, so the answer isn't to force these owners become a long term rental landlord. That home is likely never going to go down in value enough to allow that to happen and if it did the economic conditions to make that happen would likely also not allow that renter to afford to be able to purchase that home. Focus on housing affordability not zoning. I implore government to use their time more wisely on this issue.

SB-2919-HD-1

Submitted on: 4/2/2024 5:07:04 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Steinman	Individual	Oppose	Written Testimony Only

Comments:

If this bill passes the only beneficiary will be the Hotels. But

My condo has a 30 day minimum and is rented by tourists and professionals who come to hawaii for work Assignments. All of these rentals are extremely profitable to Hawaii, GET Taxes, Transit taxes, plus all the money they spend on, Food, attractions etc. If they stayed in a hotel, their visits would be much shorter because not many can afford to spend a month in Hawaii

at hotel rates, they will likely choose another destination.

In addition, tourist who stay for 30-60 days are the best kind to have because they spend some time here and have respect because they learn the ways of the islands. They are not the type who come here for a five day drunken party.

I understand that the shortage of housing and the high cost of living are big problems in Hawaii, but I don't see how removing short term rentals will fix anything.

SB-2919-HD-1

Submitted on: 4/2/2024 5:30:29 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda C. Mitchell	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB 2919, SD 2, HD1. As a long time legal owner of a vacation rental, I am worried that my rights to do business will be taken away through no fault of my own.

Please, do not punish owners by taking away their rights to do legal business.

SB-2919-HD-1

Submitted on: 4/2/2024 5:53:06 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherri Lund-Fery	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB2919 as STR's are not just for vacationers. They also house displaced fire victims on a temporary basis, temporary workers brought to the island to help with the restoration process of Maui, neighbor island residents coming for medical care, traveling professionals such as healthcare and construction. Further, it would greatly reduce the transient accomodation tax revenues generated by STR's.

Aloha,

I vehemently oppose this legislation as it is punitive to those who have planned on using rental property as a means of income and overbearing by the governments. State and County government has been collecting TAT and GET and Property and Income Taxes from short-term rental units for years and now that the government hasn't used that money and time wisely to provide affordable housing for the residents of Maui and Hawai'i (who pay far lower taxes on their property than the Short-Term Rental owners) you want to kill this industry. Shame on you for not being forward looking and thinking about how to provide for your constituents with all the tax income you've collected over the last 20 years. Think also about the scores of residents who provide property management, cleaning, agent, handyman and other services that will be out of work due to this legislation. How will you create new job opportunities for all those who will be displaced. Therefore, you will be losing tax revenue from tourism, ST Rental tax revenue and income from all those that will be out of work. Lastly, if this legislation comes to pass, we will take our condo off the market and use it for ourselves only as this is somewhere we return every year to spend our available time in our island home.

Respectfully,

Johan Holmquist

SB-2919-HD-1

Submitted on: 4/2/2024 6:13:41 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
B. Hansen	Individual	Support	Written Testimony Only

Comments:

Strong SUPPORT for SB2919! As a Native Hawaiian and resident of Hawai'i that can trace my lineage back more than 8 generations it is sad to know my children will never be able to buy in Hawai'i if something doesn't change about STRs. We are competeing with foreign investors who make a profit utilizing STRs. Any housing availability becomes more STRs for profit. I oppose people from all over the world being able to profit on housing while local working famlies are priced out of Hawai'i. In an environment where land, space and housing is finite something has to budge.

Mahalo.

SB-2919-HD-1

Submitted on: 4/2/2024 6:26:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Megan Nowicki	Individual	Oppose	Written Testimony Only

Comments:

I am a Transient Accommodations property owner in the county of Maui. I always get comments from my guests that they are grateful to have such an affordable option to come and enjoy the island. The hotels are very expensive and without these transient accommodations the state of Hawaii would have lost \$15,284 of transient and excise tax income last year on my property alone. Multiply that by the hundreds of affordable transient accommodation units on Maui alone and the Hawaiian people miss out on all of the tax revenue that could go to infrastructure, social services, etc. In addition, the local businesses will suffer a great income loss resulting in business closures and less products and services for the locals. I can understand not adding additional transient properties to the island, but please don't phase out existing ones as the transient property owners, including myself would also lose our investment equity as a result and drive good people off of the islands.

SB-2919-HD-1

Submitted on: 4/2/2024 6:26:31 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amy Marthaler	Individual	Oppose	Written Testimony Only

Comments:

As an owner of property on Maui, it is very concerning that the government would step in and try to control how I use my home. I follow the rules and pay a lot of taxes, almost 20% for the use of my home as a short term rental, all of which the county of Maui and the State of Hawai'i benefit from. Without these STR, that revenue in taxes will be gone, then what?

What about the travel agencies, the Property Managers, the On-Island Representatives, house cleaners, contractors, all who's business is very much supported by the STR industry that would potentially go out of business because STR are no longer an option?

Consider the tourists that don't want to stay in a hotel that have families where that environment is not suitable for them that would no longer be able to visit the islands because they are pigeon holed to vacation only one.

There are so many things wrong with this bill and it is just another opportunity in my opinion for the government to control us. If it has anything to do with there not being enough long-term housing for residents of Hawai'i and a way to bully us home owners into converting our properties as such, I will tell you that it isn't going to work. As a homeowner, I would rather leave the property vacant, not pay taxes to rent it out and use it for my family and friends before I would do that, so then ask yourself, what is the good that comes from this? You are destroying the economy you are so diligently trying to build up, and the livelihood of the locals and native residents who have lived here for all their lives for generations that now depend on tourism.

I ask you to please look at the big picture and what you would lose by eliminating short-term housing, it will effect everyone in Hawai'i in someway. I vote NO for SB2919, SD2, HD1.

SB-2919-HD-1

Submitted on: 4/2/2024 6:27:34 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
michelle andrews	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I am a single mother of two young boys. A local born on the big island and transplanted to Oahu 15 years ago. I own a STR in Waikiki. This rental is my only income and has allowed me to take care of my family and stay home with my kids. I can't afford to send them to preschool because that alone would cost around \$3000 a month so I need to stay home during these early years. If my ability to rent my property is taken away from me I will not be able to survive on this island. I will no longer have an income to support my family. My STR is legal and I pay a tremendous amount of taxes each month. I kindly ask to stop this bill before it destroys many families in my situation chance to stay on this island. Mahalo nui loa,

Michelle Andrew

SB-2919-HD-1

Submitted on: 4/2/2024 6:29:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jon Chaudhari	Individual	Oppose	Written Testimony Only

Comments:

Short sited politics fed by hotel interest groups.
See you in court

SB-2919-HD-1

Submitted on: 4/2/2024 7:22:46 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jill Fletcher	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I wholeheartedly oppose this bill. I am currently housing a displaced family in my condo, a family that lost a total of three homes. Our building was built in the 1970s and we are currently spending many thousands of dollars to replace old plumbing pipes and still waiting on a permit to replace our seawall. This results in our homeowners fees increasing annually with no exception; I'm currently paying about \$2000 a month just in homeowners fees, on top of the mortgage, insurance, and I'm getting new air-conditioning installed for this family at a cost of tens of thousands of dollars. I just don't find my condo viable for permanent housing because of the exorbitant fees, the lack of parking, and the lack of any storage. There just has to be a better solution that gives the Maui residents the stable, affordable housing they deserve. I also would like to keep employing my property manager, and his crew of housekeepers, whereas that employment will go away with the decimation of a short term rental industry. On a more personal note, I am the primary caregiver for my relative with brain cancer, and I am relying on the income from my condos to support me while I am with him and caring for him. Thank you for listening, Jill Fletcher.

SB-2919-HD-1

Submitted on: 4/2/2024 7:26:56 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Trevor Hite	Individual	Oppose	Written Testimony Only

Comments:

Hello,

My name is Trevor Hite, and my wife and I are owners of a single Condo at Papakea in Honokawai. We're just two people...no one with influence or power. sb2919 will not provide the housing and lifestyle it seeks to for the wonderful people of Maui. It will only increase the dependence on LARGE Organizations like Hotel chains and large companies, and it will decrease the power and influence of local people.

As a condo owner we have little power in Maui. We do not have large strong organizations and attorneys. Nor can we even vote. When taxes get raised on us...we pass it on to visitors in order to not lose money and therefore lose our property. When we need a repair, a realtor, a remodel, insurance, legal advice, property managers, facility management folks or gardeners and cleaners we hire local people (small businesses) to do the work. When a plumber gives us a price, we pay it and pass it on to the visitors who pay it in return. We take very good care of people not just because we care about them (although we do), but also because we depend on them, and so they have the power. We are good with that.

Our housekeeper is an example. When her family comes to visit, they stay at our place for free. When she and her husband are working long hours on the west side, they stay for free. She raises the price, we don't even question her, as she is our friend, and we know she has the power to go get other projects, but we NEED her.

Can the same be said for hotels? They have their own plumbers, cleaners, electricians, and sign big contracts with big companies. Do those employees hold the power or does the Hotel? We all know the answer to that.

Here's the point...Short term rentals leave the power where it belongs...with the locals. sb2919 will put this power in the hands of the big companies and leave locals with less power. Who will be able to afford Papakea when we all have to sell? Not the locals. We have a \$30million project coming up. Which people working for hotels or big companies will be able to pay my \$150,000 share of this bill (on top of a mortgage and HOA and utilities and maintenance..etc)? As of now, visitors will indirectly pay this. If we cannot rent to visitors, We will have to sell. It will probably be to a mainlander who may move there and...vote. More lost power for locals. Also, we pay way more property taxes than someone who lives there

which is more lost income to the people of Maui. Here's a list of other lost income if we cannot pass the expenses on to visitors through short term rentals:

-Any small business providing services

-Property taxes

-Occupancy taxes...nearly 20% which is tens of thousands of dollars just from our unit!

-Entire staff at Papakea (All locals) Nobody will be able to pay 2500 per month to support them

-Major repair projects needed on all these short term rentals. What happens then? These places will become uninhabitable in 20, 30, 40 years without these massive maintenance projects.

-Obviously tourist businesses such as restaurants, rentals, tours etc (All local small businesses).

So does an island where everyone works for a big company sound better than an island full of opportunity to capitalize on the many small family businesses sound like a good idea? I get pictures from my house keeper with her feet on the balcony looking at the ocean while she's cleaning. She has a good job and makes good money. Would a Hotel allow that? Isn't that a better lifestyle than working at a sweatshop hotel?

When the tragedy happened in Lahaina, I was on the phone for days with our friends on the island. Once I knew everyone was ok, we let a friend of a friend stay in our place for free. I know many other condo owners who did the same. When the place was in bad shape after he left we just fixed it and moved on as we knew he was traumatized and grieving. We consider ourselves part of the community. We love Maui and it's people, and similar to the pecking order in a local surf spot we give right of way to the locals. Do Hotels??? See, we are the members of the community that take a back seat on purpose, as we know we are lower in the pecking order. Do Hotels feel the same?

Housing for locals is an issue. The biggest contributors paying for the worker housing projects are...you guessed it...Short term rentals. Our units are not great for living in. They are made to visit and leave (Papakea was built for this 50 years ago and has never been local housing). We have little storage, small spaces, little parking, bad access, etc. Local neighborhoods should not be available for short term rentals. What about using the tax money to build 1000's of cute ADUs owned by locals on their land? This way when local people buy a house they can help pay their mortgage by renting to locals in local neighborhoods not live in stuffy condos.

AGAIN...Keep the power with the locals, please! sb2919 does not magically give housing to locals; it takes away their lifestyle and opportunity.

Thank you for listening,

Trevor and Heather Hite

Loving distant members of a wonderful community

SB-2919-HD-1

Submitted on: 4/2/2024 7:27:36 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rochelle Jensen	Individual	Oppose	Written Testimony Only

Comments:

Subject: Urgent Opposition to SB2919: Protecting Our Community's Housing Flexibility

Chairman Kyle Yamashita
Vice Chair Lisa Kitagawa
Committee on Finance
Hawaii State Senate
25 Aupuni St.
Honolulu, HI 96813

Aloha Chairman Yamashita, Vice Chair Kitagawa, and Honorable Members,

I am writing to express my strong opposition to Senate Bill SB2919. As a responsible vacation rental owner in the Hawaiian Shores community, I have always ensured compliance with all licensing and tax obligations. My vacation rental not only supports the local economy by employing three individuals but also plays a crucial role in providing accommodations for various groups, including vacationers, visiting families, and local residents displaced by natural disasters such as volcanic eruptions.

The passage of SB2919 threatens to eliminate month-to-month rentals in Hawaii, creating a new housing crisis for those unable to secure long-term rentals or in need of temporary furnished housing. My rental, along with many others, serves as a vital resource for displaced residents, newly housed individuals, residents in transition, inter-island residents seeking medical treatment or visiting family, traveling nurses, emergency contractors, temporary military personnel, students, and our own family and friends.

In times of crisis, such as the Red Hill Crisis, Marco Polo fires, and the eruption of Kilauea, our community has faced significant challenges in finding temporary, furnished housing. The proposed bill would further decimate our industry, leaving countless residents without essential housing options during their times of greatest need.

I urge you to consider the broader implications of SB2919 on our community's housing flexibility and the vital role that vacation rentals play in supporting our residents during both normal times and emergencies. Let us work together to find a balanced solution that protects the interests of all stakeholders without compromising the well-being of our community.

Mahalo for your attention to this matter.

Me ke aloha pumehana,

Rochelle Jensen

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

SB-2919-HD-1

Submitted on: 4/2/2024 7:32:32 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sarah Schmerling	Individual	Oppose	Written Testimony Only

Comments:

Dear Legislators,

I am writing to express my concerns regarding SB 2919, which proposes expanded zoning powers for counties and could significantly impact short-term rental operations. As a stakeholder in the short-term rental industry, I urge you to consider the following points:

- 1. Economic Impact:** Short-term rentals play a crucial role in Hawaii's economy, contributing significantly to tourism revenue, creating jobs and supporting local businesses. The local economy would all but collapse if short term rentals were not allowed.
- 2. Affordable Tourism:** These rentals provide affordable accommodation options, making it possible for a diverse range of visitors to experience our beautiful state. Again, our local economy would be severely negatively impacted by this bill.
- 3. Challenges for Long-Term Leases:** Despite their importance, most short-term rentals are unattractive to locals for long-term leases due to high AOA (Association of Apartment Owners) fees, limiting the potential for these properties to serve as long-term housing solutions for residents. Adding up the cost of a mortgage, property tax, insurance, and AOA dues, which alone can often be over \$2,000 per month, these units simply aren't affordable as residential homes for many locals.
- 4. Occupancy Restrictions:** Short-term rentals typically accommodate smaller groups or families, which means that many families couldn't even consider these units. Moreover, many units have pet restrictions as well, again limiting their usefulness.
- 5. No Smoking Policies:** Many short-term rentals enforce strict no-smoking policies. While these policies promote healthier environments for both guests and the surrounding community, it is another restriction that would discourage locals from living in these units.
- 6. "House Rules":** In addition to the points above, many short-term rental properties enforce "House Rules" which are part of the property bylaws. These rules such as no pets, quiet hours, limited parking (often times, only one parking space per unit), etc. While these rules enhance the experience during short term visits, these too are additional restrictions that would discourage many locals from living in these units full time.

Instead of imposing restrictive measures, I urge the legislature to consider balanced regulations that address community concerns while preserving the economic benefits of short-term rentals.

Thank you for your attention to this matter.

Sincerely,

Sarah Schmerling, permanent resident, voter

SB-2919-HD-1

Submitted on: 4/2/2024 7:55:56 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christopher Fox	Individual	Oppose	Written Testimony Only

Comments:

I would like to provide a perspective on the SB2919 SD2 HD1 bill that has been submitted. As an owner of a condo in Maui, we are very fortunate to visit this beautiful island every year. We take pride in the renovations that we have done to improve the unit and are involved in our condo's HOA which keeps us up to date on local events. We have chosen to share our love of Hawaii with others by providing our unit for short-term rentals. This option helps the local economy by providing an option for tourists when they visit Maui. The rentals also provide tax revenue to the local community. Responsible tourism provides revenue for many local businesses that offer amazing options for food, shopping, and entertainment. I understand that the local housing costs have risen and the impact of the Lahaina fire caused a rapid increase in the need for more housing options. I believe that there are many long-term options that should be explored but a possible ending of short-term rentals will have a large impact on several revenue streams that the communities rely upon. I encourage that we all work together to find viable solutions to help with affordable housing needs while also balancing the need to support the tourist revenue which provides jobs and tax revenue. Based on these dual needs, I would ask that you vote no on this bill and provide the option to bring a better bill in the future that can help all parties involved. Thank you for your time and for your consideration.

SB-2919-HD-1

Submitted on: 4/2/2024 7:58:33 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
jason akinaka	Individual	Oppose	Written Testimony Only

Comments:

Plain and simple, this measure is unconstitutional, meaning that it tramples the God-given rights of individuals, which the legislature has no authority to do.

The Fifth and Fourteenth ammendment of the United States Constitution clearly delineate the rights of the individual property owner to obtain, use, and dispose of property freely as a key component of not only property but freedom.

Any bill which would remove the peoples' ability to prosper and be free isn't worthy of the power it exercises, and any government worth its salt will strike that bill down permanently, not only that, it would seem to replace those who proposed it in positions holding gubernatorial powers.

This bill will negatively affect locals, residents, part-time residents and more. It will benefit very few in the long term, and will only grant government more powers of oppression upon the peoples of Hawaii/Maui, namely in keeping them poor & struggling to make ends meet so that they cannot enjoy the place where they live as much as they should be able to. Were every resident allowed to do a short-term rental or ADU on their property, as the constitution outlines, more locals and residents would have additional income opportunities to ease the burden of cost of living in paradise. But no, Hawaii's government has already squashed that right and wants to do more. Why? Because with oppression comes power and with power comes privilege—and this for the few in governmental power.

SB2919 not a good bill, in every sense of the word.

SB-2919-HD-1

Submitted on: 4/2/2024 7:58:51 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tiffany kekumu	Individual	Oppose	Written Testimony Only

Comments:

I feel that the local people deserve to use their land, single family homes, multi unit homes, etc. To help them pay down mortgages, debt, kids schooling, college. All these cost money. Government makes off higher taxes paid through these higher incomes. The cost of living compared to average income doesn't equal up. It's a win win for the locals that are hired to clean the properties. Some that can't have a conventional jobs because of their circumstances. I believe there could be better guidelines to allow these to work in favor for all people. Some examples would be to require they only be Hawaii residents who can rent them out. That parking be provided for all vehicles, including their own cars. Or no car allowed and no street parking allowed. Have quite hours enforced. Visitors/tourists are coming anyway, so passing this law only puts money in the big corporate pockets and not here in Hawaii. Hundreds of thousands of dollars is not staying here if you pass this law. It goes to the big corporate pockets and out sources that don't live here in Hawaii and spent everywhere else. Where as, if you allow these rentals to continue you are literally helping the local families. Helping local businesses; restaurants, small stores, landscapers, cleaners, small mom and pop type businesses that strive on these visitors being in their areas. In fact the short term less than 30 days should be allowed too. Because it's Helping our economy. The rural areas can keep work for their community. Help Hawaii, not other economies. Help the locals.

SB-2919-HD-1

Submitted on: 4/2/2024 8:01:08 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Natasha Latta	Individual	Support	Written Testimony Only

Comments:

My name is Natasha Latta, a resident of Paauilo Big Island, and I strongly support SB2919 SD2 HD1.

Our housing crisis has been exploited time and again to attack our environmental and cultural protections, in many cases without any direct benefit to our affordable housing supply. In contrast, this measure will empower counties to provide direct housing relief to their residents, and mitigate the impacts of real estate speculation on housing costs, by allowing counties to decide whether and how their housing units may be used for short-term vacation rentals instead of for long-term housing. Please pass this measure as a viable strategy to boost our long-term residential housing supply, without dismantling legal protections critical to the resilience and well-being of our islands and people.

Mahalo nui for the opportunity to testify.

SB-2919-HD-1

Submitted on: 4/2/2024 8:14:30 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Voerg	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

We have owned our condo in Kihei since 1987. We would not be able to afford the taxes and expenses if we were not allowed to generate income through short term rentals. Please vote against this proposal. Mahalo.

SB-2919-HD-1

Submitted on: 4/2/2024 8:21:37 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
rose elovitz	Individual	Support	Written Testimony Only

Comments:

I support SB2919. No kama'āina should be struggling to remain rooted in their homelands while landlords profit off of vacant vacation rentals or give priority to tourists. Return the power to the people.

SB-2919-HD-1

Submitted on: 4/2/2024 8:29:07 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kealahooipoleimaile Cabanilla	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Me ka mahalo,

Kealahooipoleimaile Cabanilla

SB-2919-HD-1

Submitted on: 4/2/2024 8:30:40 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Victoria Bianchetti	Individual	Oppose	Written Testimony Only

Comments:

I am against this Bill. This will affect all the community in a very negative way. And for us it will be almost to start living from the welfare instead of paying taxes, give some for helping people in need and paying for our medical bills. Is the stat of Hawaii and especially Maui county ready for this?

aloha

SB-2919-HD-1

Submitted on: 4/2/2024 8:33:03 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Denise Voytilla	Individual	Oppose	Written Testimony Only

Comments:

We are a retired married couple with a low income living on Big Island. We live on social security and needed to supplement our income in order to remain in our home, so we turned our master bedroom into a studio and rent it out as an air bnb/ VRBO. We are able to make our house payments and pay our taxes this way. We are excellent hosts and get 5 stars. Since it is a studio without all the amenities needed for long term rental, such as laundry, kitchen, we don't rent it for long term. Our guests abide by the rules and have never had a problem with the neighborhood complaining. We need this income and hope to be able to continue to keep our studio open for travelers at a reasonable price. Please consider certain aspects of the rentals for hosts such as ourselves when making your decision. Possibly amend it. Thank you, Denise Voytilla

SB-2919-HD-1

Submitted on: 4/2/2024 8:46:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mark Schulein	Individual	Oppose	Written Testimony Only

Comments:

To Whom It May Concern,

This letter is intended to support the Vacation Rental option for our communities and our owners of properties. We believe a supply of vacation rentals supports the local community by giving tourists options for family travel. The tourists support the local economy and add to the community, with both money and engagement. Many of our guests are repeat visitors who are able to visit the islands more economically due to the value that vacation rentals offer, and allow for more money to be spent within the community.

We believe the vacation rental options also create jobs, and keep more money in the local community. We support the grandfathering of existing vacation rentals and believe they are valuable resources for both the local community and the tourism industry.

Thank you for your support of making the Vacation Rental opportunity an ongoing and accessible reality for our guests.

Sincerely,

Mark Schulein

SB-2919-HD-1

Submitted on: 4/2/2024 8:50:01 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellison Montgomery	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

I am writing to express my strong support for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Ellison

SB-2919-HD-1

Submitted on: 4/2/2024 9:12:36 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brad Tomlinson	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB 2919 for the following reasons:

Firstly, Short Term Rentals (STR's) provide economic activity for Hawaii when owners are not present in their dwellings. There are many owners who live in Maui 6 months of the year and elsewhere the rest of the year. SB 2919 would require require an owner to be present in the dwelling while it was being rented short term. This clause would mean that owners who were off island would be unable to rent their dwelling short term.

What this means in practical terms is Hawaii would lose significant income for the 6 months that dwellings sit vacant.

Allow me to provide two examples of owners who are part-time residents. I know a couple from Texas who must be in that state at least 6 months and a day to maintain their tax residency there. Canadians are only able to be in the USA 182 days a year. In both cases owners would not sell and no economic activity would be created by these properties for half the year.

If allowed to rent out their dwellings while off island these people would be creating a significant economic benefit to Hawaii. If this stops then Hawaii will lose Millions of dollars in economic activity. There will be job losses especially for small businesses.

Realistically, even if current owners wanted to sell, many of the properties that are short term rentals would never be affordable to local people. A one bedroom condo is worth about \$830,000 and \$1000 a month in condo fees. The same condo pays about \$8000 a year in property tax. The cost to pay a mortgage, condo fees and tax for a one bedroom condo is beyond most single people or even couples. The condos in hotel zoned areas are not suitable or affordable for families. So why not allow STR's to contribute to the community and create economic activity.

Maui county will raise \$430 Million in property tax revenue. Vacation Rentals will raise \$160 Million in RPT tax, 12% more than last year. This was an increase of \$17 Million in tax dollars, the highest increase in all the tax classifications. This year Short Term Rentals represents 37% of the real property tax revenue, and 15% of the total operating budget.

Much of the increases in revenue in property taxes overall came from the increase in values of properties. Total assessments rose \$4 Billion overall in Maui County in fiscal year 2022-2023. Increases in assessed values were 5% overall in the short term classification. Short term rentals will contribute \$12.1 Million in revenue to the Affordable Housing Fund, the largest contribution of all the classifications, and the largest contribution to date.

Over the last 5 years the short term rental classification has generated \$31.5 million dollars for the affordable housing fund. Visitor accommodations raise 82% of Maui's property tax revenue with second homes included. These numbers show Short term rentals are a significant contributor to the County of Maui, and a legitimate and critical part of the economic engine for Maui.

Maui County's operating budget has increased to over 1 Billion dollars in its current fiscal year. Most of the county's revenue comes from the short term rental classification, and the small businesses creating this revenue. The county of Maui has long had a strategy of taxing the Short Term Rental Classification in order to keep taxes low for the residents. A big part of this strategy is by means of the property assessment values that the County assessment division attributes to these properties.

Looking at the top 30 real property tax revenue generating legal visitor accommodations in Maui county, you can see that the assessment of many short term rentals result in a higher rate and tax revenue than many of our hotel properties.

When looking at average tax revenue generated on a per Unit basis, the top 13 properties are all legal vacation rental properties. The top Hotel, the Kea Lani falls behind all of these at number 14 on this same list.

SB-2919-HD-1

Submitted on: 4/2/2024 9:13:28 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Victoria and Dennis Regen	Individual	Oppose	Written Testimony Only

Comments:

We beleive that as a property owner, we should have the right to rent our residential house out.

People visitng the big island sometimes cannot afford hotels/resorts stay costs and they have a family that wants to be together. Rental houses help them out. They also bring in tourism money to small business.

Tourism is an income driving force on the islands and should be expanded not discouraged.

You already have very high taxes in place to dissuade visitors from staying, so why add more insult to injury.

We feel short term rentals should not be phased out.

Victoria and Dennis Regen

Property owners in Kona

SB-2919-HD-1

Submitted on: 4/2/2024 9:47:59 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gina Drewes	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill

SB-2919-HD-1

Submitted on: 4/2/2024 10:01:51 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linh Le	Individual	Oppose	Written Testimony Only

Comments:

I STRONGLY OPPOSE this bill. Giving the city council the right to phase out transient vacation rental units will not resolve the State's housing shortages. Rather, this removes the ability of Hawaii families like mine from being able to generate small business income. We do not make that much money on shortterm rentals. Of the rent we bring in, over 1/5 goes to GET, TAT and property taxes (paying the legislatures and city council's continually rising salaries), 1.5/5 goes to our cleaners and suppliers (generating income for others), 1/5 goes to building management (keeping Hawaii buildings safe), and we are left with less than 1/3 with earnings to pay our mortgages and personal income tax, and be able to stay in Hawaii. The state and counties should review instead the major issues in Hawaii causing housing shortages: 1) a small number of major owners holding half of Hawaii land, 2) billionaires continually buying up and owning Hawaii land and millionaires buying vacation homes and inflating housing prices while letting the property sit empty over half the year, 3) extremely restrictive land use practices, and 4) the government's permitting bureaucracy. Other states and countries are relaxing, not further restricting, their zoning laws to allow for increased housing affordability. Hawaii should learn to do better than go after small businesses.

SB-2919-HD-1

Submitted on: 4/2/2024 10:14:01 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenna Reed	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Kenna

SB-2919-HD-1

Submitted on: 4/2/2024 10:28:58 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gary Burkhardt	Individual	Oppose	Written Testimony Only

Comments:

I own a property in a heavy tourist area in Kihei, purchased with the knowledge that it would never be disallowed as a short-term rental, just like a hotel. We are filled most of the year, bringing in tourists that provide hundreds of thousands of dollars to the local economy. We hire local residents to manage and upkeep our property and understandably our guests frequent local restaurants and tourist attractions much more frequently than residents, keeping their businesses alive and their local employees whole. We pay higher property taxes than local residents and provide a high tax amount to the state for transient accommodations. If you remove all that revenue, tax and income from the state, I'm not sure how that is going to help the local economy and the residents who live there. We have personally donated \$5000 to the various Lahaina charities since the fire, we are renting a portion of our condo for at least one year to a person who lost their entire home in the Lahaina fire - why are you trying to kick people like us out of your state? And why do you choose to accept the hotel industry's money with open arms but not the individual person who is trying to make some additional money and/or live here for their retirement? Why would you change the rules regarding the rentability of our property *after* we purchase it, lowering its value? Again, why are you trying to hurt the little guy but welcome the hotel industry investors that will really change the landscape?

We are doing all that we can to support Maui in this time of crisis - where is the recognition for what we are doing to help?

SB-2919-HD-1

Submitted on: 4/2/2024 10:47:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
uyvi le	Individual	Oppose	Written Testimony Only

Comments:

I STRONGLY OPPOSE this bill, which will not solve housing shortages issues. Take property from the billionaires and millionaires, not from our families.

SB-2919-HD-1

Submitted on: 4/2/2024 10:58:22 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deborah Pence	Individual	Support	Written Testimony Only

Comments:

My name is Deborah Pence, a resident of Kauai, and I strongly support SB2919 SD2 HD1.

Our housing crisis has been exploited time and again to attack our environmental and cultural protections, in many cases without any direct benefit to our affordable housing supply. In contrast, this measure will empower counties to provide direct housing relief to their residents, and mitigate the impacts of real estate speculation on housing costs, by allowing counties to decide whether and how their housing units may be used for short-term vacation rentals instead of for long-term housing. Please pass this measure as a viable strategy to boost our long-term residential housing supply, without dismantling legal protections critical to the resilience and well-being of our islands and people.

Mahalo nui for the opportunity to testify.

SB-2919-HD-1

Submitted on: 4/2/2024 11:16:13 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Luna	Individual	Oppose	Written Testimony Only

Comments:

My husband and I own a condo on the island of Molokai. We purchased the condo in 2021 as our future retirement home. We do not have a mortgage on the property and this investment was significant for us. We are not rich but we are trying to plan for our future. We short term rent the condo to cover our high HOA fees, insurance and property taxes. We are not getting rich from this investment. But it is an investment. An investment in our future. It is also an investment in the community. When people stay at our property, or any of the other short term rentals, they spend money on Molokai. Oahu or Maui also financially benefit from this as well due to layovers and connecting flights. Limiting property owners from short term renting their property may cause an undue burden on people who are trying to plan for the future, but still need to work to support our current lives. We understand the issues surrounding affordable housing in Hawaii. We are from California and were priced out of our hometown due to the rise of Silicon Valley. We had to move from the area to be able to afford a house. But limiting property owners' rights is not the solution. This would likely cause many people to lose their homes. When that happens, you will see corporations buy up the property and leave nothing for local families. Or, it likely will cause people like myself to simply remove my unit from the rental marketplace, not opening it up for a long term renter, which would not allow me or anyone in my family to stay there if we have it rented long term. This bill will not improve the lack of housing issues. When we purchased our home, we purchased it like any other person could have done. We purchased the home with the understanding that our HOA bylaws allow and state and county laws allow for short term rentals. We are properly licensed and we care about the people in our community. I believe if a property is currently a legally licensed short term, mid-term or long term rental, they should be grandfathered in. This way, those who purchased under those rules, can continue on, and allow for any future purchaser of the property to continue on as well.

SB-2919-HD-1

Submitted on: 4/2/2024 11:33:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sandra Le	Individual	Oppose	Written Testimony Only

Comments:

I own a condo that I rent as a short term rental when I do not use it myself and I am writing in opposition of this bill. I fear that the overly broad zoning powers that would be created under this bill would negatively affect both the housing market and the economy. This bill would give the counties more zoning powers which they could use to phasing out short-term rentals. The possible removal of STRs from the vacation unit inventory could have a cascading effect, causing damage to other tourist-focused businesses, such as car rental agencies, restaurants and tour operators, as well grocery and other retail outlets and workers employed in cleaning, repairing and maintaining the STR units. My cleaner told me that so many of her peers were broke when tourism took a nosedive after the Maui fires so the threat to workers' income is real if STRs were to be phased out. Given the uncertain legal and economic considerations in this bill's approach to the issue of short-term rentals, I request the Committee defer SB2919.

SB-2919-HD-1

Submitted on: 4/2/2024 11:37:16 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Charmaine Dipp	Individual	Comments	Written Testimony Only

Comments:

Aloha!

I understand the issues related to illegal vacation rentals and what the county is trying to fix, but it is unjust for the less than 800 legal vacation rentals with grandfathered nonconforming use certificates issued in 1986, to be constantly subjected to their inclusion in these new laws and legislation.

These legal vacation rentals have been legal for almost 40 years and with being so few, they shouldn't be considered as part of the issue and what needs fixing. Kindly give the legal vacation rentals your grace in respecting their long-established rights and document them as excluded in present and future legislation.

Mahalo and thank you for your time and consideration.

SB-2919-HD-1

Submitted on: 4/2/2024 11:51:04 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Gadsby	Individual	Oppose	Written Testimony Only

Comments:

Myself & my family own a vacation rental condo on Maui - we currently have it leased out for 18 months via FEMA to a resident who lost their home in a fire - happy to do our part.

In regards to SD2 & HD1 - I don't believe the law would have the effect you intend and instead have a negative impact on the island.

If the unit is re-zoned to long term rentals only - us, along with thousands of other short term rental owners would be forced to sell as we would lose the income needed to own the unit.

If the intention of the forced sales would be to create inventory for locals to buy that is unlikely. Between operating costs and mortgage, our unit would require an income of about \$350,000/ year to qualify for a mortgage now. (We cover these costs through vacation rentals)

The most likely new owners of the units would be wealthy individuals who can afford for the unit to sit vacant 90% of the time when they are not there. This has the double negative effect of not fixing local housing issues and more importantly significantly reducing tourists across the islands which impacts the whole economy.

The only winners in this scenario is the hotel owners, who benefit from less competition and higher rates.

The solution of the housing issue is to Build affordable housing for locals across the thousands of acres of land that is not currently used - or land that needs to be rezoned to allow the building to occur. Tax incentives, rezoning land to residential and rapid permitting is the best way to solve this.

In my area they changed a law that allowed for rapid approval of residential construction as long as the building falls within the official community plan. This removed gatekeepers and council meetings from slowing the construction process - I believe Hawaii could do something similar.

SB-2919-HD-1

Submitted on: 4/2/2024 12:02:04 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Taylor Dawley	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Taylor

SB-2919-HD-1

Submitted on: 4/2/2024 12:26:43 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Donna Butterfield	Individual	Oppose	Written Testimony Only

Comments:

Aloha and thank you for reading my testimony. I am concerned that this bill will hurt the little guys who are trying to make enough money just to get by. I would like to see a moratorium on hotels, and allow vacation rental condos to fill the needs in this area, because it supports individual owners instead of Large International Investment Firms. I agree with the moratorium on vacation rentals in Single Family Homes because these can be disruptive to single family neighborhoods, however, as an owner of a vacation rental condo (which is now in the FEMA program) I rely on the rental income to pay the mortgage and help me afford to live on Maui. I know other owners who do the same. I would like to continue my ability to have short term rental condos, because the normal long term rental rates would not cover the mortgage and HOA expenses. There seems to be quite a few housing projects in the works, so won't this help our need for housing? I also think that the STR condos are generally less expensive than a hotel room, so they help Maui resident's family and friends when they come to visit. Not everyone can afford the hotel rates, so condos on Airbnb or VRBO fill this need, and they can still go out to dinner and have fun spending \$ supporting small businesses while they are here. Please do not take this away from us. One idea that I think would be beneficial to everyone is to have Airbnb and VRBO collect the taxes for the owners and pay them to the county. It would solve the problem of some STR owners not paying their GET and TAT. Also, I am self employed and my rentals are my retirement plan. It will really hurt me financially, if I am not allowed to have my short term rental condo. Mahalo, Donna

SB-2919-HD-1

Submitted on: 4/2/2024 12:30:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Spencer Headley	Individual	Support	Written Testimony Only

Comments:

SB2919 would provide much needed accountability and limits on Short Term Rentals. Limiting STR's, especially in residential neighborhoods is absolutely essential to keep local residents in Hawaii. Hawaii cannot afford to loose any more Hawaiians. Do the right thing... it's not complicated.

Thank You,

Spencer Headley

SB-2919-HD-1

Submitted on: 4/2/2024 12:37:47 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jason Feinberg	Individual	Oppose	Written Testimony Only

Comments:

It appears that the bill is attempting to limit transient rental and or phase out existing permitted transient rentals while at the same time not wanting to give up the revenue and in so proposing raising transient rental taxes to make up for losses and further applying transient taxation on 'shelters or vehicles'. I can not agree. This appears not to be a solution and will force units threatened to amoritization of their transient status into "hiding" and simply shift the burden of revenue to properly permitted accommodations. Demonstrate that the legislature and representatives can be good stewards of our monies first before lowering sources and raising taxes.

SB-2919-HD-1

Submitted on: 4/2/2024 12:51:08 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kate Maloney	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing to express my concerns about SB 2919 and its potential negative impact on our community. This bill would greatly expand the zoning powers of counties, giving them the ability to phase out short-term rentals. While I understand the desire to regulate these rentals, I believe that SB 2919 is over-reaching in its declarations and would have significant negative consequences for our local economy and residents.

As someone who relies on short-term rental income to make ends meet, this bill would directly impact my ability to provide for my family, our healthcare, and overall livelihood. It would be catastrophic financially for our family and would likely cause us, and many others, to leave our beloved island.

A significant portion of our community relies on the income derived directly and indirectly from short-term rentals. Many of these people are my ohana and neighbors I know well — including, cleaners, repair people, gardeners and landscapers, laundry services, Uber/Lyft drivers, massage therapists, private chefs, private concierge services, and other restaurant and service business that caters to tourism outside of the resort nodes.

I have witnessed firsthand how short-term rentals have allowed my neighbors to keep their homes, afford their mortgages, pay for healthcare, and support their children's education. It's disheartening consider how hardworking friends and ohana could lose this vital source of income due to this bill.

In addition, many local entrepreneurs have invested their time, energy, and resources to create unique and authentic vacation rentals and tourist-related businesses, showcasing the true spirit of our island. These passionate individuals have breathed new life into our communities, revitalizing neighborhoods, and supporting local craftsmen, artisans and service professionals. It would be a devastating to the island to see their hard work of these small business owners vanish under the weight of SB 2919. The removal of short-term rentals from the vacation unit inventory would lead to a cascading effect, impacting not just STR hosts, but also causing damage to other tourist-focused businesses and subsequent job losses.

Furthermore, the cultural exchange that short-term rentals foster is invaluable to our island community. By opening their homes to visitors, locals have been able to share our rich traditions

and history with people from around the world. To witness the joy on a guest's face as they learn to weave a lei or eat a hand-picked lilikoi is a beautiful reminder of the power of human connection. Restricting short-term rentals will undoubtedly limit these meaningful interactions, which is truly the spirit of Aloha.

I urge you to give serious consideration the potential negative impacts of SB 2919 on our community and economy. The bill poses a significant threat to the welfare of many local families and individuals who rely on the short-term rental sector for their livelihoods. Instead of phasing out and constricting short-term rentals, let's work together to find a balanced solution that addresses concerns while still supporting our local residents and businesses. Mahalo for your time and consideration.

Kate Maloney

Aloha Members of the Hawaii State Legislature,

I strongly oppose SB2919.

SB2919 is a measure that violates our constitutional property rights. For property owners, STVR has become a means for many residents to afford the high cost of living here. Many operators of STVR have invested their own hard earned money to provide housing for our visitors who DO NOT want a hotel experience. Many visitors cannot afford the \$300-400+ cost per night for a hotel room. Those same visitors SPEND money in our restaurants and shops. They keep our small businesses open.

If you are truly concerned about affordable housing, deal with that issue directly. Why do you think it is up to the residents to provide that? Do you think in your good conscience that it is fair to eliminate our resident's income from their STVR? How is it that the government can require someone to close down their STVR, to tell them what they can and can't do with their own property? That decree rings of socialism. It nullifies the Aloha spirit.

I urge you to look into your heart and feel what SB2919 will do to the people of Hawaii, the people that live here and work hard to pay their bills. SB2919 is a sword to cut off survival for many of us!

Light of Aloha,

Jennifer Weinert
Pāpa'ikou, Hawaii

SB-2919-HD-1

Submitted on: 4/2/2024 2:07:37 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Edward Codelia	Individual	Support	Written Testimony Only

Comments:

This legislation is overdue in Maui County. Short term vacation rentals, legal or illegal are not an acceptable form of business here in Maui County. We can no longer allow an unregulated industry controlled by investors and corporations to operate this type of business in Maui County. The taxes paid by these entities are/were not enough to provide any relief to the residents of Maui County after the wildfires. Additional language should be added that the Counties have at their own discretion the right to revoke any permit or license with cause. The fact that the State of Hawaii had to threaten these owners with license revocation if these properties were not made available to victims of the wildfires should be clear indication to the state that these owners have one concern; their profits.

SB-2919-HD-1

Submitted on: 4/2/2024 2:27:49 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Standke	Individual	Oppose	Written Testimony Only

Comments:

I am writing to express my deep concerns regarding the potential economic and social impacts of Bill 121 on our community, particularly in relation to housing affordability and the local economy. As an owner of five homes in Hawai'i, I have firsthand experience with the dynamics of our local real estate and tourism sectors. My properties, which are larger and offer stunning ocean views, represent a segment of the housing market that is not typically accessible to local buyers due to financial constraints.

Should Bill 121 force me to sell these properties due to permitting issues, it is highly likely that they would be purchased by wealthy individuals from the mainland, who would use them only part-time. This scenario would not only result in a loss of employment for local workers who are currently employed in maintaining and managing these properties but also lead to a significant reduction in transient tax revenue, estimated at \$60,000 annually from my properties alone.

The economic loss from such outcomes far exceeds any potential increase in housing supply. It is crucial to understand that unemployed locals cannot afford even cheaper homes. This situation highlights that there are two sides to the home affordability coin.

SB-2919-HD-1

Submitted on: 4/2/2024 3:31:23 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dalton Harrington	Individual	Support	Written Testimony Only

Comments:

Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Aloha,

Dalton Harrington

SB-2919-HD-1

Submitted on: 4/2/2024 3:31:28 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gretchen Losano	Individual	Support	Written Testimony Only

Comments:

Aloha,

Please support SB2919. This bill is crucial for keeping our displaced Lahaina residents in Lahaina. It is imperative for our county to have the power to convert short term rentals to long term housing in west Maui so we don't loose more of our community to lack of housing. Second home owners and out of state investors with no pilina to our kaiāulu should not take priority over the people that make Lahaina Lahaina. Please put residents first.

Mahalo,

Gretchen Losano

Lahaina, Maui

SB-2919-HD-1

Submitted on: 4/2/2024 3:51:26 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alana Hendrickson	Individual	Support	Written Testimony Only

Comments:

"Dear Chair Yamashita, Vice Chair Kitagawa, and Honorable Members of the Committees,

*I am writing to express my **strong support** for SB2919, SD2 HD1, which clarifies that our counties have the clear right to phase out short-term rentals over a reasonable amount of time.*

The Lahaina fires shed a clear light on the contribution that short-term rentals play in our housing crisis. Many communities across the state, including Lahaina, have been adversely affected by the proliferation of short-term rentals in apartment-zoned areas, exacerbating our housing shortage and driving up rental prices. Thank you for your attention to this critical issue.

Sincerely,

Alana Hendrickson, RDN, CDCES, LD

SB-2919-HD-1

Submitted on: 4/2/2024 4:18:17 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laurel Nakanishi	Individual	Support	Written Testimony Only

Comments:

Aloha Lawmakers,

My name is Laurel, a resident of Honolulu, and I strongly support SB2919 SD2 HD1.

Our housing crisis has been exploited time and again to attack our environmental and cultural protections, in many cases without any direct benefit to our affordable housing supply. In contrast, this measure will empower counties to provide direct housing relief to their residents, and mitigate the impacts of real estate speculation on housing costs, by allowing counties to decide whether and how their housing units may be used for short-term vacation rentals instead of for long-term housing. Please pass this measure as a viable strategy to boost our long-term residential housing supply, without dismantling legal protections critical to the resilience and well-being of our islands and people.

Mahalo nui for the opportunity to testify.

Laurel