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DIRECTOR  
JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**PRESENTATION OF THE  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION & COMMERCE

TWENTY-EIGHTH LEGISLATURE  
Regular Session of 2015  
Monday, March 30, 2015  
2:00 p.m.

**TESTIMONY ON HOUSE CONCURRENT RESOLUTION NO. 48, H.D. 1 AND HOUSE RESOLUTION NO. 22, H.D. 1 REQUESTING THE AUDITOR TO CONDUCT AN ANALYSIS OF THE NEED FOR THE LICENSING AND REGULATION OF TRANSIENT VACATION RENTALS.**

TO THE HONORABLE ANGUS L.K. McKELVEY, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Catherine Awakuni Colón, Director of the Department of Commerce and Consumer Affairs (“Department”). The Department appreciates the opportunity to provide comments on House Concurrent Resolution No. 48, H.D. 1 and House Resolution No. 22, H.D. 1.

The resolutions request, amongst other provisions, that the State Auditor perform a sunrise analysis pursuant to Section 26H-6, Hawaii Revised Statutes (“HRS”), on the regulatory scheme of transient vacation rentals, as proposed by House Bill No. 825 (2015) and Senate Bill No. 1237 (2015). The Auditor’s analysis would set forth the

Testimony on House Concurrent Resolution No. 48, H.D. 1  
and House Resolution No. 22, H.D. 1  
March 30, 2015  
Page 2

probable effects of the proposed regulatory measure, assess whether its enactment is consistent with the purposes of HRS § 26H-2, and assess alternate forms of regulation. Therefore, the Department agrees that the Auditor is to conduct a sunrise review of transient vacation rentals before that industry is to be regulated.

Thank you for the opportunity to submit comments on House Concurrent Resolution No. 48, H.D. 1 and House Resolution No. 22, H.D. 1. I will be happy to answer any questions the members of the Committee may have.

From: mailinglist@capitol.hawaii.gov  
Sent: Saturday, March 28, 2015 6:20 AM  
To: CPCtestimony  
Cc: carabirk@gmail.com  
Subject: Submitted testimony for HR22 on Mar 30, 2015 14:00PM

**HR22**

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Cara Birkholz	Individual	Oppose	No

Comments: I am very concerned as to how this will affect the thousands of owners of legal vacation rentals who are obeying the laws and submitting all their taxes. mahalo Cara Birkholz Kihei

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov  
Sent: Sunday, March 29, 2015 10:21 AM  
To: CPCtestimony  
Cc: stoopse@gmail.com  
Subject: Submitted testimony for HR22 on Mar 30, 2015 14:00PM

**HR22**

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Elen Stoops	Individual	Oppose	No

Comments: Dear Legislators, In that I STRONGLY OPPOSE HB825 I therefore OPPOSE HR22 and HCR48. HB825 does not meet the requirements of Hawaii State Law for Regulation. It is discriminatory, creates restraint of trade conditions due to it's overburdensome nature and the mechanisms recommended shall do little to nothing to mitigate problems associated with unenforced ordinance relating to illegal rentals. It will however cause significant duress to owners of legal vacation rentals who are in compliance with Act 326. This is a bad bill and I OPPOSE all considerations to support it. Mahalo.

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woodson2-Rachel

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From: mailinglist@capitol.hawaii.gov  
Sent: Friday, March 27, 2015 7:45 PM  
To: CPCtestimony  
Cc: jann@dccnet.com  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*

**HR22**

Submitted on: 3/27/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jann Mittlestead	Individual	Oppose	No

Comments:

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woodson2-Rachel

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From: mailinglist@capitol.hawaii.gov  
Sent: Friday, March 27, 2015 10:22 PM  
To: CPCtestimony  
Cc: kbcc106@gmail.com  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*

**HR22**

Submitted on: 3/27/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Linda Selbert	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov  
Sent: Saturday, March 28, 2015 7:09 AM  
To: CPCtestimony  
Cc: MMCGARRY@REMAX.NET  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*

**HR22**

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
MICHELLE MCGARRY	Individual	Oppose	No

Comments:

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Sent: Saturday, March 28, 2015 6:31 AM  
To: CPCtestimony  
Cc: pualanipat@gmail.com  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*

**HR22**

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Patricia Starkie	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov  
Sent: Sunday, March 29, 2015 12:54 PM  
To: CPCtestimony  
Cc: robstewart49@gmail.com  
Subject: Submitted testimony for HR22 on Mar 30, 2015 14:00PM

**HR22**

Submitted on: 3/29/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
R Stewart	Individual	Oppose	No

Comments: Opposition to HR22 H.D.1 and HCR48 H.D.1 Thank you for the opportunity to testify. These House Resolutions request the Office of the Auditor to conduct a Sunrise review of Professional and Vocational licensing for those who rent transient vacation rentals. I am an individual property owner who rents my personal property under the Landlord Tenant Codes of the State of Hawaii. As stated in the preamble to HB 2078 HD2 SD2 CD1 which became Act 326, "Section 521-7, Hawaii Revised Statutes, also clearly states that the only exemption from the landlord-tenant code for transient rentals is transient occupancy on a day-to- day basis in a hotel or motel." I am not performing renting property on behalf of someone else where it would be subject to professional licensing, nor am I in the hotel business. Increasingly, laws are being proposed that treat all transient accommodation landlords as if we were one big company, rather than individual owners. We are individuals conducting rentals just as every other owner who conducts long term rentals. There should not be a different set of laws for those who rent less than 180 days and those that rent more than 180 days. The United States Constitution provides for property owners to rent and sell their own properties as a personal right. Hawaii Revised Statute under the Real Estate Code reaffirms an owner may rent, manager and sell their own property. No special licensing by the Federal government nor the State of Hawaii is required of any other property owner to secure a Professional License to do this. HR22 refers to a newspaper article as a cause for legislation regarding "rogue rentals" on Oahu. This is a zoning issue specific to Oahu. It is not a State jurisdiction, but rather a county issue. In Hawaii, those who rent individually owned property fall under, Landlord Tenant laws, Tax Compliance laws, and compliance with local jurisdictions for zoning, permits, etc. These are overlaying jurisdictions. Landlord Tenant - DCCA. Tax Compliance - DoTAX, zoning - individual counties. Act 326 does not attempt to impose State regulations upon the counties. It does, however, reinforce the compliance with tax law and landlord tenant laws. Law already exist to address Landlord Tenant, taxing and zoning. It is a matter of each jurisdiction applying the laws that already exist. Thank you.

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From: mailinglist@capitol.hawaii.gov  
Sent: Saturday, March 28, 2015 2:07 PM  
To: CPCtestimony  
Cc: satmahajan@comcast.net  
Subject: Submitted testimony for HR22 on Mar 30, 2015 14:00PM

**HR22**

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
sat mahajan	Individual	Oppose	No

Comments: PLEASE DO NOT MAKE IT MORE DIFFICULT AND EXPENSIVE TO OPERATE VACATION RENTAL IN MAUI.IT IS ALREADY BECOMING VERY DIFFICULT AND EXPENSIVE .

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Sent: Saturday, March 28, 2015 1:08 PM  
To: CPCtestimony  
Cc: mauihail@gmail.com  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*

**HR22**

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Tim Hailey	Individual	Oppose	No

Comments:

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woodson2-Rachel

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From: mailinglist@capitol.hawaii.gov  
Sent: Saturday, March 28, 2015 1:08 PM  
To: CPCtestimony  
Cc: hailmaui@att.net  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*

**HR22**

Submitted on: 3/28/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Vicky Hailey	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov  
Sent: Monday, March 30, 2015 6:17 AM  
To: CPCtestimony  
Cc: jillfletch1966@yahoo.com  
Subject: \*Submitted testimony for HR22 on Mar 30, 2015 14:00PM\*



**HR22**

Submitted on: 3/30/2015

Testimony for CPC on Mar 30, 2015 14:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jill Fletcher	Individual	Oppose	No

Comments:

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