

---

---

# A BILL FOR AN ACT

RELATING TO GEOGRAPHIC LIMITATIONS ON TIME SHARES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 514E-5, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§514E-5 Geographic limitations.** Except as provided in  
4 this section, time share units, time share plans, and transient  
5 vacation rentals are prohibited.

6           (1) Existing time share units, time share plans, and  
7 transient vacation rentals are not impaired by the  
8 provisions of this section.

9           (2) Time share units, time share plans, and transient  
10 vacation rentals are allowed:

11           (A) In areas designated for hotel use, resort use, or  
12 transient vacation rentals, pursuant to county  
13 authority under section 46-4, or where the  
14 county, by its legislative process, designates  
15 hotel, transient vacation rental, or resort use;

16           (B) In a hotel where the county explicitly approves  
17 such use, in advance, as a nonconforming use; or

1           (C) In a county with a population in excess of five  
2           hundred thousand, in an existing hotel which is a  
3           valid nonconforming use under county ordinance [~~7~~  
4           provided that the property shall have at least  
5           sixty units and at least forty per cent of the  
6           units, upon completion of sales of the time share  
7           intervals in the project, shall be made available  
8           for sale as residential apartments or rented as  
9           residential apartments]."

10           SECTION 2. Statutory material to be repealed is bracketed  
11 and stricken.

12           SECTION 3. This Act shall take effect upon its approval.

**Report Title:**

Geographic Limitations on Time Share Units

**Description:**

Repeals the requirement that time share units in an existing hotel in a county with a population in excess of 500,000 are required to contain at least 60 units at least 40% of which are to be made available for sale or rental as residential apartments. (SD1)