### A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS.

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

1	SECT	ION 1. Chapter 237D, Hawaii Revised Statutes, is			
2	amended by adding a new section to be appropriately designated				
3	and to read as follows:				
4	" <u>§23</u>	7D- Transient accommodations brokers. (a) All			
5	transient	accommodations brokers, prior to publishing an			
6	advertise	ment, including an online advertisement, on the			
7	availabil	ity of a property for lease or rent on behalf of an			
8	operator or plan manager:				
9	(1)	Shall notify the operator or plan manager that the			
10		subject property is required to be in compliance with			
11		applicable state and county land use laws and			
12		ordinances prior to retaining the services of the			
13		transient accommodations broker;			
14	(2)	Shall require the operator or plan manager to provide			
15		the transient accommodations broker with the operator			
16		or plan manager's registration identification number			
17		and local contact information and include this			

1		information in the advertisement, pursuant to section		
2		237D-4;		
3	(3)	Shall require the operator or plan manager to provide		
4		the transient accommodations broker with verification		
5		of compliance with state and county land use laws in		
6		the form of a written certification, verification, or		
7		permit, as applicable, issued by the appropriate		
8		county agency; and		
9	(4)	Shall require the operator or plan manager to provide		
10		a statement to the transient accommodations broker		
11		confirming compliance with all applicable land use		
12		laws and ordinances.		
13	(b)	An operator or plan manager shall remove any		
14	advertise	ment published through the transient accommodations		
15	broker, including an online advertisement, for a transient			
16	accommodation located in the State for which the operator or			
17	plan manager fails to comply with paragraph (2), (3), or (4) of			
18	subsection (a) or for which the operator or plan manager has			
19	received written notice from a state or county governmental			
20	authority that the property is not in compliance with state law			
21	or county	ordinance, as applicable. The state or county		

- 1 governmental authority shall provide a copy of the written
- 2 notice to the transient accommodations broker.
- 3 (c) Nothing in this section shall be construed to preempt
- 4 or prohibit the authority of a unit of local government in the
- 5 State, including counties and any other political subdivisions
- 6 of the State, to adopt, monitor, and enforce local land use
- 7 ordinances, rules, or regulations, nor to transfer the authority
- 8 to monitor and enforce these ordinances, rules, or regulations
- 9 away from the counties."
- 10 SECTION 2. Chapter 481B, Hawaii Revised Statutes, is
- 11 amended by adding two new sections to be appropriately
- 12 designated and to read as follows:
- 13 "\$481B- Transient accommodation brokers. (a) It shall
- 14 be unlawful for a transient accommodations broker to engage in
- 15 business with an operator or plan manager, including any person
- 16 or entity employed, contracted, or otherwise engaged by the
- 17 operator or plan manager for property management or as an
- 18 activity provider, who is not in compliance with all state laws
- 19 and county ordinances, including any laws and ordinances
- 20 regarding land use, taxes, and professional licenses.

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1 (b) It shall be unlawful for a transient accommodations broker, on behalf of an operator or plan manager, to employ, 2 3 contract, or otherwise engage in business with any person or 4 entity to manage any property of the operator or plan manager or 5 to act as an activity provider for transients served by the 6 operator or plan manager if the person or entity is not in 7 compliance with all state laws and county ordinances, including 8 laws and ordinances regarding land use, taxes, and professional 9 licenses. 10 (c) Violation of this section is a misdemeanor and shall 11 be punishable by a fine of not less than \$10,000. 12 For the purposes of this section: (d) 13 "Activity provider" has the same meaning as in section 14 468M-1. 15 "Operator" has the same meaning as in section 237D-1. 16 "Plan manager" has the same meaning as in section 237D-1. 17 "Transient accommodations" has the same meaning as in 18 section 237D-1. 19 "Transient accommodations broker" has the same meaning as 20 in section 237D-1.

1	§481B- Booking services. (a) It shall be unlawful for
2	a hosting platform to provide, and collect a fee for, booking
3	services in connection with transient vacation rentals located
4	in the State if those transient vacation rentals are not
5	lawfully certified, registered, or permitted as a transient
6	vacation rental under applicable county ordinance at the time
7	the transient vacation rental is rented.
8	(b) The appropriate officer or agency charged with the
9	administration of county zoning laws shall enforce this section
10	within each county.
11	(c) Violation of this section shall be a misdemeanor and
12	shall be punishable by a fine of not less than \$10,000.
13	(d) As used in this section:
14	"Booking service" means any reservation or payment service
15	provided by a person or entity that facilitates a transient
16	vacation rental transaction between an operator and a
17	prospective renter, and for which the person or entity collects
18	or receives, directly or indirectly through an agent or
19	intermediary, a fee in connection with the reservation or
20	payment services provided for the transient vacation rental
2.1	transaction

1	"County" means the city and county of Honolulu and the			
2	counties of Hawaii, Kauai, and Maui; provided that the county of			
3	Maui shall include the county of Kalawao for the purposes of			
4	this section.			
5	"Hosting platform" means a person or entity that			
6	participates in the transient vacation rental business by			
7	providing, and collecting or receiving a fee for, booking			
8	services through which an operator may offer a transient			
9	vacation rental unit. Hosting platforms usually, though not			
10	necessarily, provide booking services through an online platform			
11	that allows an operator to advertise the transient vacation			
12	rental unit through a website provided by the hosting platform			
13	and the hosting platform conducts a transaction by which			
14	potential renters arrange use and payment, whether the renter			
15	pays rent directly to the operator or to the hosting platform."			
16	"Operator" means any person operating a transient vacation			
17	rental, whether as owner or proprietor or as lessee, sublessee,			
18	mortgagee in possession, licensee, or otherwise, or engaging or			
19	continuing in any service business that involves the actual			
20	furnishing of a transient vacation rental.			

1 "Transient vacation rental" means "transient vacation rental", "transient vacation unit", or "transient vacation use", 2 3 as defined by county ordinance." 4 SECTION 3. Section 237D-1, Hawaii Revised Statutes, is 5 amended by amending the definition of "transient accommodations 6 broker" to read as follows: 7 ""Transient accommodations broker" means any person or 8 entity, including but not limited to persons who operate online 9 websites, online travel agencies, or online booking agencies, 10 that offers, lists, advertises, facilitates, or accepts 11 reservations or collects whole or partial payment for transient 12 accommodations or resort time share vacation interests, units, 13 or plans." 14 SECTION 4. This Act does not affect rights and duties that 15 matured, penalties that were incurred, and proceedings that were 16 begun before its effective date. 17 SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED	BY:	56
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#### Report Title:

Transient Accommodations Brokers; Advertising; Requirements

#### Description:

Establishes requirements for transient accommodations brokers prior to publishing an advertisement on the availability of a property for lease or rent on behalf of an operator or plan manager. Prohibits transient accommodations brokers from engaging in business with an operator or plan manager who is not in compliance with state laws and county ordinances. Prohibits a hosting platform from providing booking services in connection with a transient vacation rental that is not lawfully certified, registered, or permitted as a transient vacation rental under applicable county ordinance.

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