COUNTY OF HAWAI'I STATE OF HAWAI'I

BILL NO. 47
(DRAFT 3)

ORDINANCE NO. 25 50

AN ORDINANCE AMENDING CHAPTER 6 OF THE HAWAI'I COUNTY CODE 1983 (2016 EDITION, AS AMENDED), RELATING TO TRANSIENT ACCOMMODATIONS.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAI'I:

SECTION 1. Chapter 6 of the Hawai'i County Code 1983 (2016 Edition, as amended) is amended by adding an article to be appropriately inserted and to read as follows:

"**Article 6. Transient Vacation Rentals.**

Division 1. General Provisions.

Section 6-40. Definitions.

When used in this article:

"Booking services" means an intermediary service that, as between the owner, host, or proprietor of a TVR and a prospective occupant, transient, or user thereof, facilitates any of the following:

(1) The offering, listing, or advertising of a TVR to rent;
(2) The making, holding, or arranging of reservations for a TVR; and
(3) Payment for use of a TVR, whether whole or partial and whether made to the owner, host, or proprietor or to a hosting platform.

"Host" means a reachable person whose principal home is on the same property as a TVR and who resides there while the TVR is rented.

"Hosted" refers to a TVR located on a property that is the principal home of a host.

"Hosting platform" means a person or business that provides booking services.

"Principal home" means the same as described by section 19-71(e) of this Code.

"Reachable" means being able to:

(1) Respond via telephone to a request or message from a guest, neighbor, or County agency within one hour of receiving the request or message; and
(2) Be physically present at a TVR within three hours of receiving a request to do so from a guest, neighbor, or County agency.

"TVR" or "transient vacation rental" means a dwelling, dwelling unit, room, apartment, suite, shelter, or the like:

(1) That is, or is offered to be, furnished and rented to a transient:
    (A) For a rental period less than one hundred and eighty consecutive days; and
    (B) In exchange for money, goods, services, or other consideration; and
(2) Excluding hotels, motels, inns, apartment hotels, boarding facilities, lodges, timeshares, and tents.

"Un-hosted" refers to a TVR located on a property on which a host does not reside while the TVR is rented.

Section 6-41. Administrative enforcement.

(a) Fines assessed under this article are due and payable in the manner and before the date specified in the order assessing such fines.

(b) In the case of a hosted TVR, the owner and the host of a TVR are jointly and severally liable for all fines and penalties assessed under this article.

(c) Decisions made by the planning director pursuant to this article are appealable as under chapter 25, article 2, division 2, of this Code.

(d) In all respects not otherwise provided for, any notice or order issued under this article and the provisions therein are subject to and must be made in accordance with section 25-2-35 of this Code.

(e) The County may institute a civil action in a court of competent jurisdiction for the enforcement of any order issued pursuant to this article. Where the civil action has been instituted to enforce the civil fine imposed by said order, the County need only show that the notice was served, that a civil fine was imposed, the amount of the civil fine imposed, and that the fine imposed has not been paid.

(f) On the first day of each September, the County shall file with the bureau of conveyances liens on all properties subject to fines levied under this article that remain unpaid for one year or more after final adjudication and the expiration of the time for any further appeal. Upon such filing, the fines shall constitute a lien on the subject property that, for the purposes of authority, shall be considered equivalent to liens arising pursuant to chapter 19 of this Code.

(g) The County may disclose any information reported or collected under this article to any governmental department or office for the purpose of ensuring compliance with State or County law.

Section 6-42. Rulemaking authority.

The director of finance and planning director may, whether separately or jointly, adopt rules pursuant to the Hawai'i Revised Statutes, chapter 91, necessary for the purposes of this article.

Section 6-43. Applicability.

This article does not apply to any accommodation, lease, letting, or rental activity:

(1) Exempt from the Hawai'i Revised Statutes, chapter 237D;

(2) Subject to the Hawai'i Revised Statutes, chapter 521;

(3) Furnished to a health care worker temporarily employed at a medical facility in the County; or

(4) Authorized by a declaration of a state of emergency.

Division 2. Registration.

Section 6-44. Certain rentals deemed registered.

(a) Notwithstanding any provision to the contrary, a short-term vacation rental registered under section 25-4-16 of this Code prior to the effective date of this ordinance is deemed separately registered for the purposes of this article, subject to renewal under section 6-47, cancellation, and all other provisions of this article as if made in accordance with section 6-45.

(b) A TVR that is permitted by a use permit issued under section 25-4-7 of this Code or a special permit under the Hawai'i Revised Statutes, section 205-6, is deemed registered for the purposes of subsection (c) and exempt in all other respects from this article.

(c) For a TVR deemed registered under this section, the director of finance shall issue the owner a registration number.

Section 6-45. Registration.

(a) A person may not operate a TVR on any property, unless and until the owner first registers it with the director of finance in a format prescribed by the director of finance that includes:
   (1) The street address and tax map key of the property;
   (2) The name, phone number, and e-mail of the owner and the host or other reachable person;
   (3) The number of bedrooms available to rent, and whether they are rented individually or as a whole;
   (4) A site drawing showing the location of all structures on the property, including the TVR;
   (5) A declaration attesting that the TVR complies with the health and safety requirements as may be required by the County;
   (6) A certificate of tax clearance or other documentation from the department of finance showing that the owner does not owe the County any delinquent real property or transient accommodations tax, including any penalties or interest;
   (7) A copy of the owner's:
      (A) General excise tax license obtained under the Hawai'i Revised Statutes, section 237-9; and
      (B) Certificate of registration under the Hawai'i Revised Statutes, section 237D-4 or 237D-4.5;
   (8) A signed statement acknowledging that operation of a TVR may affect the real property tax liability of the owner;
   (9) Other information or material as the director of finance may require; and
   (10) A registration fee of $250 or $500, in the case of a hosted or un-hosted TVR, respectively.

(b) Upon determination that registration is complete, the director of finance shall issue the owner a registration number for the TVR.

(c) It is the duty of the owner to maintain the currency and accuracy of information provided in connection with a registered TVR and to accordingly update the

director of finance whenever any such information becomes outdated or inaccurate or when the owner elects to terminate the registration.

(d) Registration expires ninety days after a change in ownership of the property occurs, and any TVR not theretofore registered by the new owner shall be unregistered.

Section 6-46. Failure to register.

(a) Upon determining that an unregistered TVR is operating on a property, the planning director shall issue a notice of violation and order ordering the owner to:
   (1) Cease and desist from operating the TVR until the owner registers the TVR;
   (2) Pay a civil fine of no less than $1,000 and no more than $10,000; and
   (3) When deemed necessary by the planning director, pay a civil fine for each day in which the violation persists in an amount specified in the order not to exceed two times the highest daily rate at which the TVR has been advertised within the preceding twelve months.

(b) Determination of a failure to register may be made on the basis of:
   (1) An active rental advertisement of the property;
   (2) The fact that the property may be booked or reserved through a booking service;
   (3) Transient accommodations tax returns;
   (4) Other prima facie evidence of TVR operation.

Section 6-47. Annual renewal.

(a) No later than one year after the issuance of a TVR registration number or other date as the director of finance may prescribe, and every year thereafter, the owner shall renew the registration by paying a renewal fee of $100 or $250, in the case of a hosted or un-hosted TVR, respectively.

(b) If an owner fails to renew a registration within the time prescribed in subsection (a), the director of finance shall issue a notice of expired registration advising the owner that, unless the registration is renewed within ninety days of the date of the notice by payment of the renewal fee and a late fee of $90, operation of the TVR thereafter will constitute a failure to register subject to section 6-46.

Section 6-48. Cancellation.

(a) Upon verification of any basis specified in subsection (b), the planning director shall cancel the registration and issue to the owner a notice of cancellation:
   (1) Ordering the owner to cease and desist from operating the TVR until the owner re-registers the TVR;
   (2) Informing the owner of the basis of the cancellation; and
   (3) Advising the owner that operation of the TVR after the date specified in the notice constitutes a failure to register subject to section 6-46.

(b) The decision to cancel a registration may be made on the basis of:
   (1) The TVR, including the structure used therefor or any activity on the property in connection therewith, being in violation of any applicable law;
   (2) Any information provided by the owner in connection with the registration found to be inaccurate or fraudulent; or

(3) Any delinquent real property or transient accommodations tax, or any fees, fines, or penalties assessed on the TVR that are owed and unpaid by the owner.

Section 6-49. Rights and responsibilities unaffected.

Registration and the issuance of a registration number does not grant any right, privilege, immunity, or other allowance to the subject property or owner except as herein provided, and further does not dispense with any necessity, obligation, or duty under other applicable law to which the owner may be subject.

Division 3. Hosting Platforms.

Section 6-50. Applicability.

This division does not apply to:

(1) The provision of booking services for a TVR by the owner thereof; and

(2) A real estate broker or real estate salesperson acting as a hosting platform for no more than one TVR.

Section 6-51. Registration required.

(a) A hosting platform may not provide or facilitate booking services or ancillary services for a TVR within the County; unless:

(1) The person or business first registers with the director of finance, which registration must be made in a format and by a date prescribed by the director of finance and include:

(A) A registration fee of $1,000;

(B) A signed acknowledgement of the registrant's responsibilities and obligations under this division; and

(C) Other information, documentation, or content as the director of finance may require;

(2) The TVR is registered under division 1 or exempt from registration by reason of a use permit or special use permit; and

(3) The owner of the TVR consents to the disclosure of information relating to the TVR that the hosting platform is required to report under section 6-52.

(b) Registration under this section shall remain in effect until terminated by the registrant or cancelled pursuant to section 6-53.

(c) For the purposes of this section, "ancillary services" includes insurance, concierge services, catering, restaurant bookings, tours, guide services, entertainment, cleaning, property management, or maintenance services in connection with a TVR.

Section 6-52. Reporting.

(a) For every TVR in the County for which a hosting platform provides booking services during each month, the hosting platform shall report to the director of finance, in a format prescribed by the director of finance, the following information:

(1) The tax map key number of the TVR;

(2) The registration identification number issued under the Hawai'i Revised Statutes, chapter 237D, associated with the TVR;

(3) The registration number issued under division 1 associated with the TVR; and
(4) The unique website address or link of the TVR.

(b) Except as otherwise provided in subsection (c), the report must be made no later than fourteen days after the end of each month.

(c) In the case of a real estate broker or real estate salesperson acting as a hosting platform for more than one TVR, the report may be made on an annual basis no later than the last day of each January with the information required under subsection (a) covering the preceding calendar year.

Section 6-53. Violation; penalties.

(a) Upon determination that a hosting platform is in violation of sections 6-51 or 6-52, the planning director shall issue a notice of violation and order ordering the hosting platform to cure the violation within ten business days.

(b) If a hosting platform fails to cure any violation, the planning director shall order the hosting platform to:
(1) To cease and desist from providing booking services to any TVR in the County no later than ninety days from the date of the notice, or a later date as the planning director may determine; and
(2) To pay:
(A) A civil fine for each day in which the violation persists in the amount specified in the order, provided the amount is not less than $1,000 and not more than $10,000; or
(B) In the case of a violation of section 6-52(c), a civil fine of $250.

(c) Upon determination that a hosting platform is providing booking services for a TVR for which the registration is expired, cancelled, or otherwise invalid, the planning director shall issue to the hosting platform a notice of removal and order:
(1) Identifying the registration number or unique website address or link of the TVR to be removed and the basis for removal;
(2) Ordering the hosting platform to remove the listing for the TVR from the hosting platform no later than thirty days from the date of the notice; and
(3) Advising the hosting platform that failure to remove the listing constitutes a failure to cure subject to subsection (b)."

SECTION 2. Severability. If any provision of this ordinance, or the application thereof to any taxpayer or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

SECTION 3. This ordinance shall take effect one hundred and eighty days after its approval.

INTRODUCED BY:

COUNCIL MEMBER, COUNTY OF HAWAI'I

COUNCIL MEMBER, COUNTY OF HAWAI'I

Hilo, Hawai'i
Date of Introduction: May 21, 2025
Date of 1st Reading: May 21, 2025
Date of 2nd Reading: June 4, 2025
Effective Date: December 20, 2025

REFERENCE Comm. 236.117

OFFICE OF THE COUNTY CLERK
County of Hawai'i
Hilo, Hawai'i

COUNTY CLERK
COUNTY OF HAWAII
2025 JUN 23 PM 1:27

Introduced By: Heather L. Kimball and Ashley L. Kierkiewicz
Date Introduced: May 21, 2025
First Reading: May 21, 2025
Published: May 30, 2025

REMARKS:

Second Reading: June 4, 2025
To Mayor: June 17, 2025
Returned: June 23, 2025
Effective: December 20, 2025
Published: July 11, 2025

REMARKS:

(Draft 2)

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Galimba	X			
Hustace	X			
Inaba		X		
Kagiwada	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Onishi		X		
Villegas		X		
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(Draft 3)

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Galimba	X			
Hustace	X			
Inaba		X		
Kagiwada	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Onishi	X			
Villegas	X			
	8	1	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

COUNCIL CHAIRPERSON

Approved/Disapproved this 23rd *day of* June, *20* 25.

MAYOR, COUNTY OF HAWAI'I

COUNTY CLERK

Bill No.: 47 (Draft 3)
Reference: C-236.117/PCPLUED-3
Ord No.: 25 50