

From: [Caitlin Miller](#)
To: [Planning LPC Testimony](#)
Subject: Testimony - Bill 147
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Attachments: [Bill 147 Testimony - Leeward PC.pdf](#)

Aloha! Please see the attached testimony for the Hawaii Mid and Short-Term Rental Alliance regarding Bill 147.

Mahalo Nui Loa,

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Leeward Planning Commission
County of Hawai'i
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Aloha Chair, Vice Chair, and Members of the Leeward Planning Commission,

The Hawai'i Mid and Short-Term Rental Alliance (HIMAST) respectfully opposes Bill 147 as currently written.

HIMAST represents property owners, operators, and small businesses across Hawai'i. We appreciate the effort to modernize and clarify the regulatory framework; however, several provisions in Bill 147 raise concerns that may unintentionally impact currently lawful operations, including mid-term rentals and permitted Bed & Breakfast uses.

We respectfully offer the following concerns for the Commission's consideration.

Existing Lawful Rentals (31–179 Days)

There are currently lawful rentals operating for periods between 31 and 179 days. These rentals operate under the existing framework and represent a category that is permitted today.

Bill 147 repeals and replaces the sections of code under which these rentals currently operate and restructures the regulatory framework. As written, it is unclear how these existing lawful 31–179 day rentals will be treated under the new structure. Without clarification, rentals that are currently operating legally could lose the ability to continue operating.

When Hawai'i County adopted Ordinance 18-114, operators renting for periods greater than 30 days were advised that they could continue operating without obtaining a Nonconforming Use Certificate. Bill 147 would redefine transient vacation rentals to include stays of less than 180 days, creating uncertainty for operators who have relied on the existing framework for years. Similar concerns have been raised by industry stakeholders regarding the need for a clear transition process for these currently lawful uses.

HIMAST respectfully requests that Bill 147 establish a clear pathway for these existing lawful operations to continue, including consideration of a Nonconforming Use Certificate process for operators who can demonstrate a history of lawful use. Property owners who followed the rules

in place at the time should not lose the ability to operate simply because the regulatory framework has changed.

Bed & Breakfast Operations

Bill 147 removes the sections of code under which many existing Bed & Breakfast operators were originally approved. While it may be the intent to incorporate these operations under existing Nonconforming Use Certificates (NUCs), this is not clearly stated.

HIMAST respectfully requests clarification on how existing B&B operations will be treated and that the bill ensures they are not unintentionally placed into nonconforming status or put at risk of losing their ability to operate.

Enforcement and Fine Structure

Bill 147 establishes fines at relatively high levels and in some cases ties penalties to rental rates. While enforcement is an important component of any regulatory framework, the structure of fines as drafted may be perceived as punitive rather than corrective.

Administrative violations, misunderstandings, or minor compliance issues could result in significant penalties that may not reflect the severity of the violation. A structure that differentiates between administrative issues and egregious violations may better support compliance and fairness.

Ensuring that fines are proportional and tied to the severity of a violation would help reinforce compliance goals while avoiding unintended punitive impacts on otherwise compliant operators.

Agricultural Land Bed & Breakfasts

Bill 147 also establishes a new framework for Bed & Breakfast operations on agricultural land.

While HIMAST appreciates the County's efforts to create a more structured permitting process, significant uncertainty remains regarding how the new framework will ultimately be implemented. The permitting process referenced in the bill has not yet been developed, and many of the details will be addressed through a separate process following adoption of the legislation.

In addition, Bill 147 introduces a primary residency requirement for agricultural Bed & Breakfast operations. Existing state agricultural frameworks generally focus on whether the accommodation use is accessory to and supportive of the agricultural operation and require the owner or operator to reside on the property. Bill 147 appears to establish a more specific residency standard, creating questions regarding how the County's requirements will interact with existing agricultural practices and property configurations.

Because the future permitting framework has not yet been developed, it is difficult for property owners to understand how these requirements will ultimately be applied or whether existing operations will be able to comply.

HIMAST respectfully encourages the County to ensure that any future permitting pathway is clearly defined, transparent, and easy for residents to understand and follow. Property owners should have a reasonable ability to determine whether they can meet future requirements and understand the steps necessary to maintain compliance before major regulatory changes take effect.

Providing clarity upfront will reduce confusion, avoid unintended compliance issues, and support successful implementation of the County's goals.

Conclusion

For these reasons, HIMAST respectfully opposes Bill 147 as written and requests amendments to ensure that:

- Existing lawful 31–179 day rentals are preserved through a clear transition process
- Current Bed & Breakfast operations are not unintentionally made nonconforming
- Fines are proportional and structured to encourage compliance
- Agricultural land operators have a clearly defined and understandable pathway for compliance

HIMAST remains committed to working collaboratively with policymakers to ensure clarity, fairness, and practical implementation.

Mahalo for the opportunity to provide testimony.

Caitlin Miller

Executive Director

Hawai‘i Mid and Short-Term Rental Alliance (HIMAST)