From: Gigi Lee
To: Planning WPC Testimony
Subject: Bill 147 Testimony
Date: Friday, June 26, 2026 12:27:15 PM

To the Hawaiʻi County Leeward Planning Commission,

I am writing in opposition to Bill 147.

My husband and I are local residents who operate a small, fully compliant hosted short-term vacation rental in our attached ʻohana unit. This is not an investment property. It is part of our home, and it also serves as our family's guest room, as our main house has only one bedroom. This unit will never become a long-term rental, even if it were legally possible.

We live on the property, pay all required taxes, including nearly 20% in transient accommodations and related taxes, and hire a local cleaner who relies on this work to support her family while raising foster children. She also pays her General Excise taxes. Every dollar we earn is spent back into Hawaiʻi's local economy.

The income from our hosted ʻohana unit allows us to continue living in Hawaiʻi. Without it, we would likely be forced to leave. I teach part-time at a local charter school because I believe our keiki deserve a quality music education, despite the fact that the pay is far below what is needed to afford the cost of living here. My husband is a local general contractor whose work helps meet an important need in our community. We both volunteer and contribute in many ways. If this bill forces families like ours out, Hawaiʻi doesn't simply lose a vacation rental. It loses teachers, tradespeople, volunteers, taxpayers, and long-term residents who are deeply invested in this island.

One of the stated goals of this bill is to create more affordable housing. However, our ʻohana unit would never become a long-term rental. The current legal environment places significant risk on landlords, and until those issues are addressed, many owners simply will not convert their properties. If increasing long-term housing is truly the goal, I encourage you to examine those barriers first.

Short-term vacation rentals also serve an important role for kamaʻāina. Many of our guests are Hawaiʻi residents traveling between islands for weddings, graduations, funerals, medical appointments, or family gatherings. With today's costs of airfare, gas, and food, hotels and resorts are simply unaffordable for many local families. Hosted vacation rentals provide an affordable option that allows residents to stay connected with family and community across the islands.

Another consideration is traffic and public safety. Hawai‘i Volcanoes National Park welcomes between one and two million visitors each year. Having hosted vacation rentals in Volcano spreads visitor traffic throughout the day. Eliminating many of these accommodations would result in thousands more visitors making the long drive back to Kona and Hilo hotels at roughly the same time each evening, placing additional strain on already congested and dangerous two-lane highways. I ask that the Commission carefully consider these transportation impacts as well.

Our property also illustrates another unintended consequence of this bill. We live on State Agricultural land, yet we are taxed as residential. Our half-acre lot is almost entirely occupied by modest structures, setbacks, and our septic system, leaving little practical space for meaningful agriculture. Because of an outdated zoning designation that has never caught up with how these neighborhoods actually function, we would automatically be denied registration despite operating legally, paying all required taxes, and living on the property ourselves.

I support a registration system. In fact, we would gladly be among the first to register. But that system should include owner-occupied hosted vacation rentals on Agricultural and State Agricultural lands that are otherwise fully compliant. The current proposal excludes responsible local families while doing little to address absentee operators who neither live here nor contribute to our communities in the same way.

In 2025, the County Council passed a resolution directing that an economic impact study be completed before moving forward with additional short-term vacation rental regulations. Yet Ordinance 25-50 was passed one week before that study was released.

The study, conducted by Hunden Partners, found that short-term vacation rentals generate approximately $710 million in annual lodging revenue and account for nearly 44% of all visitor stays on Hawai‘i Island.

Among its findings:

• STVR visitors contribute an additional $565 to $862 million annually to local businesses through restaurants, shopping, transportation, and activities.

• Each STVR supports an estimated 1.6 full-time and four part-time jobs, meaning restrictions could affect thousands of local workers.

• Full registration compliance could more than double county Transient Accommodations Tax collections.

• Only 4% of owners indicated they would convert their property into long-term housing if vacation rentals were prohibited, while 68% said they would not.

• More than 75% of owners operate only a single unit, and over half rely on that income to help pay their own housing costs.

• Nearly one-quarter of visitors said they would not have visited Hawaiʻi Island at all if vacation rentals were unavailable, meaning that spending would simply disappear rather than shift to hotels.

Given these findings, I respectfully ask the Commission to explain why the recommendations and data from the County's own commissioned study are not being incorporated into this legislation.

We have also seen similar regulations implemented on Oʻahu. Housing prices there have continued to rise despite those restrictions, suggesting that eliminating hosted vacation rentals alone is unlikely to solve Hawaiʻi's housing affordability challenges.

I understand that the intent of Bill 147 is not to eliminate every short-term vacation rental, but to establish a registration system. However, as currently written, the bill would automatically exclude many legal, tax-paying, owner-occupied hosted rentals like ours without even giving us the opportunity to register. We are only one of thousands of local families who would be affected, along with the cleaners, landscapers, maintenance workers, contractors, and countless other small businesses that depend on this industry.

I respectfully ask the Commission to reconsider Bill 147 as currently written. If the goal is accountability, create a registration system that allows compliant, tax-paying, owner-occupied hosted rentals like ours to register regardless of outdated zoning classifications. Please rely on the evidence provided in the County's own economic study and craft legislation that targets bad actors without harming the local residents who are following the law, paying their taxes, supporting local jobs, and helping sustain Hawai'i's economy and communities.

Mahalo for your time and thoughtful consideration.

Gigi Lee

Peace, Love, Lipgloss...
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