

From: [Heather Korotie](#)
To: [Planning WPC Testimony](#)
Subject: Bill 147 testimony
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Chair, Vice Chair, and Members of the Planning Commission,
My name is Heather Korotie. I have lived in Hawai'i County for 16 years and have a small fruit and vegetable farm in South Kona. I am deeply concerned about the harm Bill 147 will cause to residents living in State Agricultural and Rural districts, where hosted rentals, farm-stays, and similar uses are often how residents keep their farms and homes financially viable.

Ordinance 25-50 was adopted as a registration measure for hosted and unhosted TVRs, not as a new land-use entitlement system. Bill 147 goes much further by pushing many hosted rentals in the Rural and State Agricultural Districts into a much more burdensome Special Permit path, while leaving hosted and unhosted Urban and resort areas on a simpler registration track.

1. Bill 147 directly harms Rural and Agricultural District residents

The bill's heaviest impacts fall on residents in Rural and State Agricultural Districts who host guests on their own homes and farms. Most residents do not know what State Land Use District they are in, or that Bill 147 will treat them very differently from neighbors in Urban or resort zones.

As written, Bill 147 requires that hosts in Ag and Rural districts may only host guests in the personal dwelling they occupy, not in a separate dwelling on the homesite. For many families, that is unrealistic: guests are not looking to share a family's only kitchen and bathroom amid the chaos of daily life, and most households cannot reconfigure their homes to meet this standard. This is not a viable business model for many resident hosts.

On top of that, only residents in Rural and State Agricultural Districts are required to pursue a State Special Permit in order to continue hosting—an uncertain, time-consuming, and expensive quasi-judicial process—while others can simply register under Ordinance 25-50. Residents who are trying to host where they live are thus subject to many additional requirements and costs, mirroring B&B Special Permit conditions, without any guarantee of approval.

For many of us, hosting where we live is not an “ideal life” choice; it is an essential part of the income mix that lets us pay mortgages, support ourselves, maintain agricultural operations, and stay on our land. If this income is abruptly cut off, many households will have no easy way to replace it and may become more dependent on public assistance instead of remaining self-reliant.

2. Farmers need agritourism and hosted income to make

ends meet

It has never been harder for small farmers to make ends meet given the high cost of living and the rising costs of farming. At the same time, Hawai‘i County’s existing agritourism provisions are outdated and difficult to use, and agritourism activities in Ag and Rural Districts often require a Special Permit under County rules.

Rather than adding new barriers, the County should be creating an equitable playing field that lets farmers participate in tourism through farm-stays and hosted rentals under clear, fair standards. One approach would be to modernize agritourism rules so that truly agricultural properties—measured by metrics such as a minimum share of land in agricultural use and a significant share of household time spent on agriculture—can host visitors under simpler, predictable criteria.

Statewide data indicate that Agricultural District land accounts for roughly 45–46 percent of Hawai‘i’s total land area, while Urban land is under 5 percent. Even if only a portion of hosted rentals are on State Agricultural land, any policy that effectively removes many of them will fall heavily on farmers and rural communities.

3. Bill 147 is not just “registration” like Ordinance 25-50

Ordinance 25-50 has been described publicly as a registration law that distinguishes between hosted and unhosted TVRs without creating a discretionary permit layer. By contrast, Bill 147 requires many hosted operators in the State Agricultural and Rural Districts to obtain a Special Permit under Hawai‘i Revised Statutes 205-6 to continue operating.

This is materially different from registration. It forces Rural and Agricultural District residents into a lengthy, costly, and uncertain land-use proceeding simply to keep doing the same hosted activity that their Urban counterparts may continue through registration alone.

4. Bill 147 favors Urban and resort-area residents

Residents in Urban and resort areas can continue through a comparatively straightforward registration path under Ordinance 25-50, while Agricultural and Rural District residents who want to offer a rental where they live, face an additional entitlement process under Bill 147. That creates a district-based inequality that is hard to justify, especially when the Agricultural District covers a far larger land base than Urban land.

In today’s farming economy, farmers need more options—not fewer—to support themselves. Instead of offering farmers a realistic path, Bill 147 adds hurdles for those who already live where they host and who are trying to combine farming with small-scale, resident-based tourism.

5. Two classes of B&Bs and inequitable treatment

Bill 147 defines hosted rentals as bed-and-breakfasts, yet the public has consistently said B&Bs should be treated as a distinct category of owner-occupied, hosted rentals. Traditionally, B&B Special Permits have involved a significant up-front investment and a permit that runs with the land.

Under Bill 147, if all hosted rentals become “B&Bs” but only those in Agricultural and Rural Districts must pursue a Special Permit—often taking years and potentially costing hundreds of thousands of dollars to achieve full compliance—the process becomes inequitable based solely on district. Hosts in Ag and Rural districts face a highly cumbersome pathway, while Urban and commercial-area hosts follow a registration process without comparable burdens.

This raises basic fairness questions. How can both types of B&Bs compete in the marketplace under such dramatically different regulatory costs and risks? Won’t this disproportionately disadvantage hosts in Ag and Rural districts?

Any final legislation should respect the long-standing distinction between owner-occupied bed-and-breakfasts and other short-term rentals, a distinction reflected in earlier County proposals and guidance.

6. Many Hawai‘i County parcels no longer belong in the State Agricultural District

Sixty-five years ago, the State Agricultural District was created as part of Hawai‘i’s original statewide land-use law, which divided all land into urban, agriculture, and conservation districts. Since then, Hawai‘i County has allowed extensive subdivision of large agricultural parcels into much smaller lots, including many under two acres, that now function in practice as rural-residential neighborhoods rather than working farms.

Yet these properties remain in the highly restrictive State Agricultural District, and residents are effectively penalized because the State and County have not updated the district boundaries or coordinated to correct these outdated classifications. Bill 147 amplifies those older mapping errors by tying much harsher hosting rules to the State Agricultural designation instead of to actual land use on the ground.

7. Special Permit demands are uniquely onerous for Ag and Rural residents

A Special Permit under HRS 205-6 is not comparable to submitting a registration form and paying a fee. It can involve public hearings, multiple levels of review, and extensive preparation costs. For long-time rural residents in older homes or modest farm dwellings, it is often out of reach.

When conditions like full code compliance with Planning, DPW, and the Dept of

Health, “recognized” bedrooms, and wastewater system upgrades are imposed during Special Permit review, the practical effect is pricing many small hosted operators out of legality rather than offering them a realistic path to compliance.

8. An uneven playing field for Agricultural District hosted rentals

Hosted and unhosted rentals in Urban and resort areas operating under a simpler administrative path would have a clear advantage over Agricultural District residents who must absorb the cost, delay, and uncertainty of a Special Permit process. That result undermines the resident-based, lower-impact form of hosting that earlier County efforts, like Ordinance 25-50, said they were trying to preserve for primary-residence hosts.

Bill 147 also limits hosts in the Agricultural District to renting only the dwelling they personally occupy—a requirement that no other hosted or unhosted rental category faces—further skewing the playing field against Ag-district hosts.

9. Operational standards that do not reflect resident priorities

Bill 147 as written would also adjust operational standards, such as quiet hours. Changing quiet hours to start later in the evening does not seem to be in the best interest of many residents, especially in rural neighborhoods where people often prefer quieter evenings and where 9 p.m. quiet hours have worked better than a 10 p.m. standard.

10. Bill 147 should be made fair or deferred

At a minimum, hosted rentals should have a comparable path across districts so that residents in Agricultural, Rural, and Urban areas are not treated as though the same owner-occupied activity is fundamentally different merely because of State Land Use District classification. If parcels are going to be penalized based on district, the County and State must also take responsibility for correcting outdated State Agricultural District boundaries first before implementing this Bill.

If the County believes Agricultural District hosting needs tailored standards, then Bill 147 should be paused until a dedicated agricultural-tourism or farm-stay framework is established—one that supports legitimate resident hosts instead of forcing them into an expensive, quasi-judicial Special Permit structure that undermines farmers trying to make ends meet.

To summarize, Bill 147 should either be revised so that resident hosts in the State Agricultural and Rural Districts have a realistic, equitable path to continue operating—by aligning any required Special Permit process more closely with the registration framework—or it should be deferred until the County adopts a framework that

genuinely fits farm-stays, hosted rentals, and owner-occupied bed and breakfasts, and updates State Land Use Districts to reflect the actual pattern of land use in 2026.

Thank you for the opportunity to testify and for considering my testimony.

~Heather Korotie, co-owner/operator at The Mango Farm in S Kona