

July 23, 2025, Committee meeting, as recessed and reconvened

HOUSING AND LAND USE COMMITTEE  
Amendment Summary Form

Legislation: Bill 9 (2025), phasing out Transient Vacation Rentals in the Apartment Districts.

Proposer: Alice L. Lee, Council Chair.



Description: My proposal would phase out TVR uses in the A-1 and A-2 Districts after a change in ownership for a unit instead of a pre-determined period for all units.

Motion: Move to amend Bill 9 to phase out TVR uses in the A-1 and A-2 Districts after a change in ownership for a unit instead of a pre-determined period for all units.

Effect: If my motion is approved, SECTION 4 would read as follows:

**“19.12.070 Transient vacation rental phase**

**out.** A. In accordance with subsection 46-4(a), Hawai‘i Revised Statutes, the council finds that phasing out transient vacation rental uses in apartment districts when units have a change in ownership provides a reasonable amortization period.

B. Transient vacation rental uses that were permitted in apartment districts by ordinance 1797 (1989), or sections 19.12.020, 19.32.040, 19.37.010, or 19.500.110, that were lawful uses before July 1, 2025, must be phased out and will no longer be permitted after an amortization period, as follows:

1. The uses may continue until the amortization period ends.

2. After the amortization period, the uses will no longer be permitted or allowed as legally existing nonconforming uses and must cease.

3. For each unit, the amortization period ends upon a change in ownership.

C. Validly existing time share units or time share plans are exempt from this section.

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D. The director of finance, with the assistance of the planning director, must provide notice to owners of real property subject to amortization under this section by January 1, 2026, as follows:

1. The notice will be sent to property owners according to the address of record listed for real property tax purposes.

2. The notice will contain an explanation of the amortization period.

3. The notice must also be published in a news publication of general circulation at least once for each of two successive weeks.”

This amendment would allow for existing TVRs in the Apartment Districts to continue as legal, nonconforming uses, except if:

(1) the TVR use ceases for a year or otherwise fails to meet existing criteria in Section 19.500.110, Maui County Code, “Nonconformities”; or

(2) ownership of the unit changes.

Reasons: This amendment would mitigate the County’s loss of revenue from Real Property Tax, General Excise Tax, and Transient Accommodations Tax, while still allowing for the conversion of units for long-term housing.

Attachment: The attached document shows revisions to SECTION 4 if this amendment is approved, with additions **highlighted** and deletions both **highlighted and in strikethrough text**.

paf:kmatt:25-191b

**“19.12.070 [Reserved.] Transient vacation rental phase-out.** A. In accordance with subsection 46-4(a), Hawai‘i Revised Statutes, the council finds that a deadline of July 1, 2030, by which phasing out transient vacation rental uses in apartment districts must be phased out, is when units have a change in ownership provides a reasonable amortization period.

B. Transient vacation rental uses that were permitted in apartment districts by ordinance 1797 (1989), or sections 19.12.020, 19.32.040, 19.37.010, or 19.500.110, that were lawful uses before July 1, 2025, must be phased out and will no longer be permitted after an amortization period, as follows:

1. The uses may continue until the amortization period ends on June 30, 2030.

2. On July 1, 2030 After the amortization period, the uses will no longer be permitted or allowed as legally existing nonconforming uses and must cease.

3. For each unit, the amortization period ends upon a change in ownership.

C. Validly existing time share units or time share plans are exempt from this section.

D. The director of finance, with the assistance of the planning director, must provide notice to owners of real property subject to amortization under this section by January 1, 2026, as follows:

1. The notice will be sent to property owners according to the address of record listed for real property tax purposes.

2. The notice will contain an explanation of the amortization period, the property uses being phased out, and the date the uses must cease.

3. The notice must also be published in a news publication of general circulation at least once for each of two successive weeks.”