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## COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 11, 2019

TO: The Honorable Glenn Wakai, Chair

Senate Committee on Energy, Economic Development, and Tourism

The Honorable Rosalyn Baker, Chair

Senate Committee on Commerce, Consumer Protection, and Health

FROM: Kelly T. King

Council Chair

SUBJECT: HEARING OF FEBRUARY 13, 2019; TESTIMONY IN SUPPORT OF

SB 1292, RELATING TO TRANSIENT ACCOMMODATIONS

Thank you for the opportunity to testify in **support** of this important measure. This measure would make it unlawful for a hosting platform to provide, and collect a fee for, booking services regarding transient vacation rentals that violate county zoning ordinances; and would allow a transient accommodations broker to register as a tax collection agent for its operators and plan managers.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

- 1. Unpermitted transient vacation rentals remain a problem for both the counties and the State. It is estimated that thousands of unpermitted units are operating throughout the State, with over \$100 million in general excise tax and transient accommodations tax going uncollected.
- 2. Allowing a transient accommodations broker to act as a tax collection agent on behalf of providers of transient accommodations that utilize the services of the broker may facilitate the collection of transient accommodations taxes and general excise taxes.
- 3. This measure will facilitate compliance with State tax laws and County zoning ordinances.

For the foregoing reasons, I support this measure.