

July 23, 2019

MEMO TO: Members of the Council

F R O M: Legislative Analysts Kasie Apo Takayama and James Krueger
2019 Legislative Tracking Team

SUBJECT: **NEW STATE LAWS; VETOED BILLS**

Governor David Ige vetoed 18 bills that were passed by the State Legislature this year, notably including SB1292, SD2, HD3, relating to transient accommodations. By the attached correspondence dated June 21, 2019, Council Chair Kelly T. King requested the Governor's veto of the bill.

Please find attached the list of the vetoed bills. The vetoes will not be overridden.

Two hundred eighty-six new State laws have taken effect as a result of the 2019 Legislative Session.

New laws of interest include the following:

Act 80 (2019)

This statute requires the counties to continue issuing affordable-housing credits for each residential unit developed by the Department of Hawaiian Home Lands until July 1, 2024.

Act 98 (2019)

This statute directs the Hawai'i Housing Finance and Development Corporation to initiate negotiations and exercise its power of eminent domain to acquire the Front Street Apartments affordable-housing project unless the ground lease is renegotiated or a new lease is issued by the end of the year. It also extends the deadline to complete the Leali'i affordable-housing project.

Act 122 (2019)

This statute establishes the Chief Energy Officer position in Department of Business, Economic Development, and Tourism.

Act 134 (2019)

This statute requires the State Department of Transportation and county transportation departments to adopt Vision Zero policies to prevent and eliminate traffic fatalities. It also requires the State Highway Safety Council, in consultation with the counties, to review traffic policies and recommendations to prevent traffic fatalities, develop an action plan, and report to the Legislature.

Act 136 (2019)

This statute enacts voting by mail uniformly across all counties for all elections commencing in 2020.

Act 143 (2019)

This statute grants procurement priority for fuel-cell electric vehicles for State and county vehicle purchases.

Act 174 (2019)

This statute increases the Rental Motor Vehicle Surcharge Tax. It also allocates surcharge tax revenues into the State Highway Fund.

Act 184 (2019)

This statute requires the Legislative Reference Bureau to update its report of the Illegal Fireworks Task Force.

Act 197 (2019)

This statute clarifies that State, county, and other authorized agents have authority to enter private property when there is a reasonable suspicion invasive species are present.

Act 207 (2019)

This statute specifies the factors the State Department of Transportation and the counties must take into account when setting speed limits.

Act 208 (2019)

This statute includes low-speed electric bicycles in the definition of “bicycle.”

Act 217 (2019)

This statute provide funds to the Department of Agriculture to establish a two-year project to examine the effectiveness of prosecuting agricultural theft and vandalism cases in the counties of Hawai'i and Maui.

Act 244 (2019)

This statute requires meeting agendas to include instructions regarding accommodations for persons with disabilities.

Act 254 (2019)

This statute creates the Plastic Source Reduction Working Group.

Act 273 (2019)

This statute decriminalizes the possession of three grams or less of marijuana, effective January 11, 2020.

Act 278 (2019)

This statute requires the counties to adopt supplemental rules on condominium property regimes, including those that involve agricultural lands.

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Act 286 (2019)

This statute requires the Attorney General, in consultation with the Legislative Reference Bureau, to provide voters a statement on the purpose and effects of each proposed constitutional amendment.

For a complete list of all new State laws, please visit:

<https://tinyurl.com/NewStateLaws>

If you have any questions, please contact James (ext. 7661) or Kasie (ext. 7665).

Mahalo.

Attachments

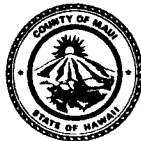
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June 21, 2019

The Honorable David Y. Ige
Governor of Hawaii
Hawaii State Capitol
Honolulu, Hawaii 96813

Dear Governor Ige:

**SUBJECT: URGING A VETO OF SB 1292, SD2, HD3, RELATING
TO TRANSIENT ACCOMMODATIONS**

Thank you for the opportunity to **urge your veto** of Senate Bill 1292 (2019), as revised. The purpose of the proposed bill is to require hosting platforms that collect fees for booking services to register as tax collection agents and collect GET and TAT for transient accommodation bookings from operators and plan managers; convert penalties for violation of TAT requirements from misdemeanor to civil fines, and specify that "transient accommodations" includes accommodations subject to county regulations as such.

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 oppose this measure for the following reasons:

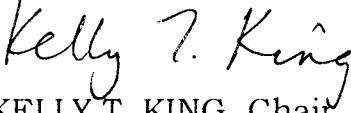
1. Illegal and unregulated transient accommodation rentals have caused detrimental impacts to the counties and the State's housing supply. It is estimated that thousands of illegal units are operating throughout the counties and State.
2. This bill allows hosting platforms to continue shielding illegal transient accommodation rentals from the scrutiny of county enforcement agencies and will only exacerbate the problems the counties face in enforcing our land use laws.

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3. In short, this bill legitimizes illegal transient accommodation rentals.

For the foregoing reasons, I oppose this measure and **urge your veto**.

Sincerely,


KELLY T. KING, Chair
Maui County Council

ocs:proj:legis:19legis:governor:sb1292_sd2_hd3_jgk

Bills Vetoed by the Governor

Governor Message	Bill Number	Bill Title	Bill Summary	Current Status
GM1371	<u>HB290 HD1 SD2 CD1</u>	RELATING TO THE UNIFORM CONTROLLED SUBSTANCES ACT.	Authorizes qualifying patients or qualifying out-of-state patients to transport medical cannabis between islands for their personal medical use. (HB290 CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1371).
GM1372	<u>HB323 HD1 SD1 CD1</u>	RELATING TO MOTOR VEHICLE REGISTRATION.	Classifies certain former military vehicles as special interest vehicles. Enables owners of former military vehicles to apply for registration. Makes conforming amendments. (HB323 CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1372).
GM1373	<u>HB407 HD1 SD1 CD1</u>	RELATING TO EDUCATION.	Requires board of education approval prior to the termination of a complex area superintendent. (HB407 CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1373).
GM1374	<u>HB629 HD2 SD2</u>	RELATING TO MEDICAL RELEASE.	Creates a medical release program within the Department of Public Safety for certain ill, disabled, or impaired inmates who pose a low risk to public safety. Takes effect on 3/1/2020. (SD2)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1374).
GM1375	<u>HB655 HD1 SD1</u>	RELATING TO HEALTH.	Designates the month of September of each year as Suicide Prevention and Awareness Month. (SD1)	S 7/9/2019: Vetoed (SD1) on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1375).
GM1376	<u>HB702 HD1 SD2</u>	RELATING TO SATELLITE NAVIGATION TECHNOLOGY.	Prohibits the sale or offering for sale of location data collected using satellite navigation technology without the explicit consent of the individual who is the primary user of the satellite navigation technology-equipped device. (SD2)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1376).
GM1377	<u>HB748 HD2 SD2</u>	RELATING TO PROPERTY FORFEITURE.	Prohibits civil asset forfeiture unless the covered offense is a felony for which the property owner has been convicted. Excludes the forfeiture proceedings for an animal pending criminal charges. Requires the Attorney General to deposit the net proceeds of the forfeited property to the credit of the state general fund. (SD2)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1377).
GM1378	<u>HB1032 HD2 SD2 CD1</u>	RELATING TO STATE BOATING FACILITIES.	Establishes a state boating facility lease pilot program to allow the Board of Land and Natural Resources to lease Manele Small Boat Harbor in its entirety, and fast lands and submerged lands within it. (HB1032 CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1378).

Bills Vetoed by the Governor

Governor Message	Bill Number	Bill Title	Bill Summary	Current Status
<u>GM1379</u>	<u>HB1133 HD2 SD2</u> <u>CD1</u>	RELATING TO MARINE LIFE CONSERVATION DISTRICTS.	Prohibits the issuance of more than 40 commercial use permits for any marine life conservation district not accessible by land and limits access by commercial use permittees to no more than 50 percent of permittees. Requires DLNR to immediately initiate rulemaking for Molokini Shoal. (HB1133 CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1379).
<u>GM1380</u>	<u>HB1276 HD1 SD2</u> <u>CD1</u>	RELATING TO EDUCATION.	Establishes a working group to consider and develop best practices for collaborative planning by teachers and expanded learning time for students in public schools. (HB1276 CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1380).
<u>GM1381</u>	<u>SB92 SD1 HD1</u>	RELATING TO POLICE REPORTS.	Allows surviving immediate family members of murder or manslaughter victims to receive a copy of the closing report prepared by the investigating police department upon the conclusion of all criminal and civil proceedings that arose from the offense. (SB92 HD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1381).
<u>GM1382</u>	<u>SB301 SD1 HD1 CD1</u>	RELATING TO TAXATION OF REAL ESTATE INVESTMENT TRUSTS.	Disallows dividends paid deduction for real estate investment trusts. Applies to taxable years beginning after 12/31/2019. Sunsets 12/31/2023. (CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1382).
<u>GM1383</u>	<u>SB1292 SD2 HD3</u>	RELATING TO TRANSIENT ACCOMMODATIONS.	Requires hosting platforms that collect fees for booking services to register as tax collection agents and collect GET and TAT for transient accommodation bookings from operators and plan managers. Converts penalties for violation of TAT requirements from misdemeanor to civil fines. Specifies that "transient accommodations" includes accommodations subject to county regulations as such. (SB1292 HD3)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1383).

Bills Vetoed by the Governor

Governor Message	Bill Number	Bill Title	Bill Summary	Current Status
GM1384	<u>SB1353 SD3 HD3</u> <u>CD1</u>	RELATING TO INDUSTRIAL HEMP.	Requires the Department of Agriculture to establish a permanent industrial hemp program pursuant to federal law, and a corresponding special fund. Reduces or repeals certain regulatory requirements under the existing industrial hemp pilot program. Establishes monetary penalties for the unauthorized cultivation of hemp. Establishes authorized cultivation of hemp as an affirmative defense to certain criminal offenses pertaining to marijuana. Excludes hemp from statutory definitions of marijuana. Requires the Chairperson of the Board of Agriculture to prepare a state plan for approval by the federal Secretary of Agriculture and report on the approval process to the Legislature and Governor. Appropriates funds. (CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1384).
GM1385	<u>SB1405 SD2 HD2</u> <u>CD2</u>	RELATING TO ELECTRONIC SMOKING PRODUCTS.	Requires public school teachers and educators to confiscate electronic cigarettes from students under 21 years of age. Requires the Department of Health to establish a Safe Harbor Program by which persons under the age of 21 may dispose of electronic cigarettes in their possession. Increases administrative fines for persons under the age of 21 for certain electronic smoking device infractions. (CD2)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1385).
GM1386	<u>SB1423 HD1</u>	RELATING TO PAYMENT OF BAIL.	Permits defendants for whom a monetary amount of bail has been set to pay the bail amount seven-days-a-week on a 24-hour basis and be released from custody upon posting or payment of bail. (SB1423 HD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1386).
GM1387	<u>SB1459 SD2 HD2</u> <u>CD1</u>	RELATING TO THE STATE SURFING COMMISSION.	Establishes the temporary State Commission on Surfing. (CD1)	S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1387).

Bills Vetoed by the Governor

Governor Message	Bill Number	Bill Title	Bill Summary	Current Status
GM1388	<p><u>SB1530 SD3 HD2</u> <u>CD1</u></p>	<p>RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.</p>	<p>Makes the conversion of the means of financing for the Hawaii Community Development Authority staff from the Hawaii community development revolving fund to the general fund contingent upon the Hawaii Community Development Authority developing and submitting a plan to transfer its control of the Kakaako Community Development District to the City and County of Honolulu. (CD1)</p>	<p>S 7/9/2019: Vetoed on 07-09-19 - Returned from the Governor without approval (Gov. Msg. No. 1388).</p>