



**DEPARTMENT OF THE ATTORNEY GENERAL**  
**KA 'OIHANA O KA LOIO KUHINA**

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News Release 2024-41

**ATTORNEY GENERAL LOPEZ APPLAUDS HAWAII SUPREME COURT DECISION  
UPHOLDING PROHIBITION OF SHORT-TERM VACATION RENTALS ON  
AGRICULTURAL LANDS**

**FOR IMMEDIATE RELEASE**

September 25, 2024

**HONOLULU** – Attorney General Anne Lopez applauds the Hawai'i Supreme Court's unanimous decision of [Rosehill v. State of Hawai'i, Land Use Commission](#), where the court held that farm dwellings in the agricultural district cannot be used as short-term vacation rentals under Hawai'i law. In making its decision, the Hawai'i Supreme Court further held that courts must generally defer to agencies when interpreting ambiguous laws, expressly disagreeing with [a controversial 2024 U.S. Supreme Court case](#) that overruled the 40-year-old case of *Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc.*

The County of Hawai'i has an ordinance that generally prohibits short-term vacation rentals in the agricultural district. In 2020, both the County of Hawai'i and certain owners of land in the agricultural district of the County of Hawai'i petitioned the state Land Use Commission (LUC) for declaratory orders regarding the legality of this prohibition under state law. The LUC held that a short-term vacation rental is not a permitted use of a farm dwelling in the agricultural district.

On appeal, the Hawai'i Supreme Court agreed with the LUC, holding that a farm dwelling may not be used as short-term vacation rentals because "short-term vacation rentals undermine" agricultural purposes.

In making this decision, the Hawai'i Supreme Court expressly deferred to the LUC's interpretation of ambiguous Hawai'i law, stating: "In Hawai'i, we defer to those agencies with the na'auao (knowledge/wisdom) on particular subject matters to get complex issues right." In making this decision, the court expressly disagreed with the reasoning of the U.S. Supreme Court's 2024 decision of *Loper Bright Enterprises v. Raimondo*,

which overruled longstanding principles of federal judicial deference to agency interpretation of statutes.

State leaders praised the Hawai'i Supreme Court's decision.

"Using agricultural lands for genuine agricultural purposes and ensuring that housing is allocated for our residents are two of the most crucial issues facing our state today," said Governor Josh Green, M.D. "I commend that Hawai'i Supreme Court for making the right decision for the people of Hawai'i."

"Today's decision makes clear that deference to administrative agencies is a principle with continued vitality in Hawai'i," said Attorney General Lopez. "This decision reaffirms the importance of agency expertise under Hawai'i law."

"This was a win for preserving agricultural lands in Hawai'i. Short-term vacation rentals are transient accommodations effectively for vacation or tourist use and do not belong in the agricultural district. That was the LUC's finding when a dozen Hawai'i island landowners applied to rent out their farm dwellings as short-term vacation rentals," said Special Deputy Attorney General Doug Chin, a former Attorney General of Hawai'i and current partner at Starn O'Toole Marcus & Fisher who argued the case before the Hawai'i Supreme Court. "The Hawai'i Supreme Court unanimously upheld the LUC's thoughtful and well-reasoned decision."

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