

STAND. COM. REP. NO. 1282

Honolulu, Hawaii

March 19, 2007

RE: S.B. No. 60
S.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 60, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FOREIGN TIME SHARE PLANS,"

begs leave to report as follows:

The purpose of this bill is to clarify the law on foreign time share plans by:

- (1) Requiring contracts to purchase an interest in a foreign time share plan that has been exempted from Hawaii law, and all promotional materials used in connection with such sales, to include a disclosure that the operation of the plan is not subject to nor protected by Hawaii law; and
- (2) Providing that failure by a developer to abide by the terms of the exemption will result in the loss of the exemption.

The Department of Commerce and Consumer Affairs and Marriott International, Inc., testified in support of this bill.

Section 514E-5.5, Hawaii Revised Statutes (HRS), allows foreign time share plans to be exempted from Hawaii law. As a result, contracts for the sale of an exempted foreign time share plan, along with promotional materials used in such sales, must disclose that the offer or purchase of the plan is exempt from

SB60 SD1 HSCR CPC HMS 2007-3045



Hawaii law. Your Committee finds that this bill carries out the original intent of section 514E-5.5, HRS, by requiring the disclosures to also state that the operation of these foreign time share plans likewise falls under the exemption.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 60, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,

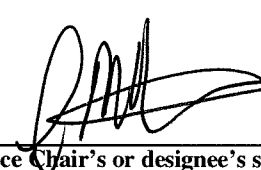


ROBERT N. HERKES, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 60 SD 1		Date: 3/12/07		
Committee Referral: c p c		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to:		<input checked="" type="checkbox"/> Pass, unamended <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration		
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	X			
2. McKELVEY, Angus L.K. (VC)	X			
3. CALDWELL, Kirk				X
4. EVANS, Cindy	X			
5. GREEN, Josh, M.D.				X
6. ITO, Ken	X			
7. LUKE, Sylvia				X
8. MORITA, Hermina M.	X			
9. SONSON, Alex M.	X			
10. SOUKI, Joseph M.	X			
11. TSUJI, Clift	X			
12. YAMANE, Ryan I.	X			
13. YAMASHITA, Kyle T.	X			
14. MARUMOTO, Barbara C.	X			
15. THIELEN, Cynthia				X
TOTAL	11			2
The recommendation is:		<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
 Vice Chair's or designee's signature:		If joint referral, _____ did not support recommendation. committee acronym(s)		
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