

Honolulu, Hawaii

FEB 29 2008

RE: S.B. No. 2026  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2026, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to exempt:

- (1) The offer or sale of a time share interest from the Time Sharing Plans Law if the offer or sale is for an additional interest in the same time share plan to an existing owner; and
- (2) From registration, a time share developer or an affiliated entity under common ownership if the time share interest being sold is in a time share plan located outside of Hawaii and the purchaser is an individual who currently owns a time share interest that was purchased from that developer or affiliated entity.

Wyndham Worldwide, Group RCI, American Resort Development Association, and Marriott International, Inc. submitted testimony in support of this measure. The Department of Commerce and Consumer Affairs submitted comments.

Your Committee finds that state law does not permit the sale of an additional interest in a time share plan to an existing customer in Hawaii when the time share plan is not registered in Hawaii. This measure balances a Hawaii entity's desire to sell



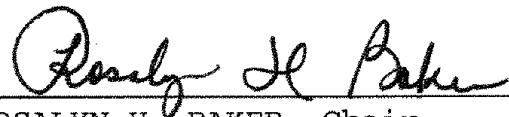
additional interests to their existing owners without having to satisfy all of the state registration requirements against the need to ensure that consumer safeguard measures are in place. This will assist the time share industry to expand and provide greater tourism offerings in Hawaii.

Upon further consideration, your Committee has amended this measure by:

- (1) Replacing references in the bill to "the department" with references to "the director" to conform with the term used in the Time Share Plans Law, chapter 514E, Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2026, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2026, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:
SB2020, SD1	CPH/TSG, NAM	2/22/08

The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312      Pass, with amendments 2311      Hold 2310      Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.				/
INOUYE, Lorraine R.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul	/			
<b>TOTAL</b>	<b>//</b>	<b>0</b>	<b>0</b>	<b>/</b>

Recommendation:  Adopted      Not Adopted

Chair's or Designee's Signature:  


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\*Only one measure per Record of Votes