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PRESENTATION OF THE PROFESSIONAL AND VOCATIONAL LICENSING DIVISION

TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TWENTY-FOURTH LEGISLATURE Regular Session of 2008

Wednesday, February 6, 2008 2:00 p.m.

TESTIMONY ON HOUSE BILL NO. 3325, H.D. 1, RELATING TO THE UNIFORM LAND SALES PRACTICES ACT.

TO THE HONORABLE ROBERT N. HERKES, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Lori Beth Van Cantfort, testifying on behalf of the Department of

Commerce and Consumer Affairs ("Department"). The Department appreciates the

opportunity to testify in support of the substance of House Bill No. 3325, H.D. 1,

Relating to the Uniform Land Sales Practices Act.

House Bill No. 3325, H.D. 1 seeks to exempt registered time share plans from

the registration requirements of Hawaii Revised Statutes, Chapter 484, Uniform Land

Sales Practices Act.

The Department continues to support the bill for the following reasons:

Time share plans are already required to register under Chapter 514E,
Time Share Plans.

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- Time share purchasers receive the time share disclosure statement which provides them relevant information about the time share plan.
- Requiring developers to provide time share purchasers with a subdivision public offering statement would be unnecessary as the disclosures found in it are not the type of information a time share purchaser is concerned with.

• A similar exemption exists for registered condominium property regimes.

The only concern that the Department has with the bill is the H.D. 1 amendment that changed the effective date to July 1, 2025 to encourage further discussion. As far as we know, all interested parties support the bill and there are no issues to discuss. Therefore, the Department would support restoring the bill's effective date to "upon its approval." Thank you for the opportunity to testify.

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February 5, 2008

 TO: Representative Robert N. Herkes Chair, House Committee on Consumer Protection & Commerce Hawaii State Capitol, Room 320
<u>Via Email: CPCtestimony@Capitol.hawaii.gov</u> Joanna Markle
RE H.B 3325, HD1 - RELATING TO THE UNIFORM LAND SALES PRACTICES ACT Hearing Date: Wednesday, February 6, 2008 @ 2:00 p.m., Room 325

Dear Chair Herkes and Members of the Committee on Consumer Protection & Commerce:

I am Joanna Markle testifying on behalf of Wyndham Worldwide. Wyndham Worldwide offers individual consumers and business-to-business customers a broad suite of hospitality products and services across various accommodation alternatives and price ranges through its portfolio of world-renowned brands. Wyndham Worldwide has substantial interests in Hawaii that include Wyndham Vacation Ownership, with its new resort at Waikiki Beach Walk.

We support H.B. 3325, HD1 to exempt time share plans from the Uniform Land Sales Practices Act, as time shares are already registered and governed under HRS Chapter 514E Time Sharing Plans.

Thank you very much for your consideration and for this opportunity to submit testimony.

GOVERNMENT RELATIONS TEAM: GARY M. SLOVIN, ESQ. CHRISTOPHER G. PABLO, ESQ. ANNE T. HORIUCHI, ESQ. MIHOKO E. ITO, ESQ. JOANNA J. H. MARKLE* LISA K.KAKAZU** * Government Relations Specialist ** Legal Assistant

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HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

February 6, 2008

HB 3325, HD 1 Relating to the Uniform Land Sales Practices Act

Chair Herkes and members of the House Committee on Consumer Protection and Commerce, I am Rick Tsujimura, representing Marriott International, Inc. (Marriott).

Marriott supports the passage of House Bill 3325, HD 1 Relating to the Uniform Land Sales Practices Act. This measure seeks to expressly exempt times share plans duly registered under chapter 514E of the Hawaii Revised Statutes, from the purview of chapter 484, Hawaii Revised Statutes. This measure would have the effect of treating registered time share plans similarly to registered condominium projects in terms of being exempt from the requirements of chapter 484. Registered time share plans do undergo a thorough review by the Time Share Division of the Department of Commerce and Consumer Affairs ("DCCA") prior to commencing with sales, and as a part of such registration process, are also required to prepare and keep current, a detailed disclosure document that explains the parameters of the time share plan for review by consumers prior to the purchase of a time share interest.

We spoke with the Chair of the previous committee who has agreed to the restoration of this measure's original effective date. Therefore, we respectfully request this Committee to amend the effective date in Section 3 from July 1, 2025 to its original effective date, which would allow this measure to take effect upon approval.

Thank you for the opportunity to present this testimony.



February 6, 2008

TO: Representative Robert Herkes, Chair Representative Angus McKelvey, Vice-Chair House Committee on Consumer Protection & Commerce

FROM: ARDA-Hawaii Contact: Donalyn Dela Cruz, PMCI Hawaii

RE: House Committee on Consumer Protection & Commerce Wednesday, February 6, 2008 Room 325, 2:00 p.m. House Bill 3325 HD1; Relating to the Uniform Land Sales Practices Act

Dear Chair Herkes, Vice-Chair McKelvey and members of the committee:

ARDA-Hawaii **supports HB 3325 HD1**, which proposes to exempt offers or dispositions of interests in timeshare plans from the Uniform Land Sales Practices Act.

ARDA-Hawaii is the local chapter of the national timeshare trade association. Hawaii's timeshare industry currently accounts for over eight percent of the State's lodging inventory.

Thank you very much for the opportunity to offer favorable testimony on this measure.