

Honolulu, Hawaii

APR 19 2010 , 2010

RE: S.B. No. 2607  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2607, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ACTIVITY DESKS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to provide greater protections for consumers and providers of activity desks by:

- (1) Establishing record keeping and trust account requirements for client trust accounts held by activity desks;
- (2) Clarifying that activity desks shall include registration numbers on all advertising materials;
- (3) Requiring an activity desk to obtain full payment for activities prior to or at the time reservations are made, subject to certain exceptions;



- (4) Requiring that sums paid to an activity desk shall be held in trust; and
- (5) Increasing the required amount of bond or letter of credit from \$100,000 to \$250,000.

Your Committee on Conference finds that this measure will provide additional protection for customers as well as clarification of the legal requirements for activity providers.

Your Committee on Conference has amended this measure by:

- (1) Deleting the statutory authorization for the Director of Commerce and Consumer Affairs to allow, by rule, the use of other types of funds or accounts;
- (2) Amending the effective date from January 1, 2112, to July 1, 2010; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.


As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2607, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2607, S.D. 2, H.D. 1, C.D. 1.

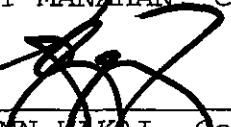



Respectfully submitted on behalf  
of the managers:


ON THE PART OF THE HOUSE

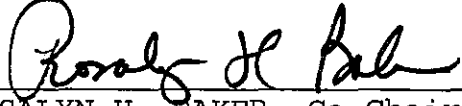
ON THE PART OF THE SENATE

  
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JOEY MANAHAN, Co-Chair

  
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GLENN WAKAI, Co-Chair

  
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JON EIKI KARAMATSU, Co-Chair

  
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CLARENCE K. NISHIHARA, Chair

  
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ROSALYN H. BAKER, Co-Chair



