



American Resort Development Association
c/o PMCI Hawaii 84 N. King Street Honolulu, HI 96817 (808) 536-5688

February 8, 2010

TO: House Consumer Protection & Commerce Committee
Representative Robert N. Herkes, Chair
Representative Glenn Wakai, Vice Chair

FROM: Ed Thompson
ARDA-Hawaii

DATE: Monday, February 8, 2010
Conference Room 325
2:05 p.m.

RE: **HB 2783, HD1, RELATING TO GENERAL EXCISE TAX**

Chair Herkes and Members of the Committee:

ARDA-Hawaii is the local chapter of the national timeshare trade association. Hawaii's timeshare industry currently accounts for ten percent of the State's lodging inventory with 7,700 timeshare units. Timeshare has had consistent occupancy rates, even during the current tough economic times. This has made our industry a vital partner and a diverse component of the visitor industry in Hawaii.

ARDA-Hawaii supports HB 2783, HD1. The amendments were designed to level the playing field with regards to operators and sub-operators of hotels and timeshares. This bill seeks to remove the sunset clause of Act 239, and make these provisions permanent.

Thank you very much for the opportunity to offer testimony in support of this measure.

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STARWOOD

VACATION OWNERSHIP

9002 San Marco Court
Orlando, Florida 32819
(407) 418-7271

February 8, 2010

LATE TESTIMONY

To: Honorable Robert Herkes, Chair
House Committee on Consumer Protection and Commerce

Fr: Robin Suarez, Vice President & Associate General Counsel for Starwood
Vacation Ownership

Re: **HB2783 HD1- RELATING TO GENERAL EXCISE TAX – SUPPORT**
CPC – Capitol Conference Room 325 – 2:05 PM

Aloha Chair Herkes, Vice Chair Wakai and Members of the Committee:

My name is Robin Suarez, Vice President & Associate General Counsel for Starwood Vacation Ownership, (“SVO”). I am testifying on behalf of SVO in support of HB2783 HD1, Relating to General Excise Tax (“GET”).

This bill makes the GET exemption amendments for timeshare operators and condominium sub-managers permanent which will encourage additional timeshare development and ensure that the cost to maintain existing Hawaii timeshare projects remains reasonable and on par with other competitive markets.

Timeshare projects with their high and consistent rates of occupancy and customer satisfaction should not be discouraged, but seen as a vital part of Hawai`i's tourism industry. In addition to providing traditional resort operations jobs similar to hotel projects, timeshare projects add high skilled and high compensated sales and marketing jobs. As such, timeshare projects represent a valuable and diverse component of Hawai`i's important tourism market.

For these reasons, we respectfully request your favorable support of this bill.

As always, I thank you for the opportunity to share our views on this matter.