

HB424, HD1

Measure Title: RELATING TO TIMESHARE CONVEYANCES.
 Report Title: Timeshares; Commissioner of Deeds
 Description: Authorizes the Governor to appoint Commissioners of Deeds to take acknowledgments, proofs of execution, or oaths in specified jurisdictions related to the conveyance of timeshare properties located within the State. Effective July 1, 2112. (HB424 HD1)
 Companion:
 Package: None
 Current Referral: CPN, WAM
 Introducer(s): SAIKI

<u>Sort by Date</u>		Status Text
1/18/2013	H	Pending introduction.
1/22/2013	H	Introduced and Passed First Reading
1/22/2013	H	Referred to CPC, FIN, referral sheet 3
1/25/2013	H	Bill scheduled to be heard by CPC on Wednesday, 01-30-13 2:00PM in House conference room 325.
1/30/2013	H	The committee(s) on CPC recommend(s) that the measure be deferred until 02-04-13.
1/31/2013	H	Bill scheduled for decision making on Monday, 02-04-13 2:00PM in conference room 325.
2/4/2013	H	The committees on CPC recommend that the measure be PASSED, WITH AMENDMENTS. The votes were as follows: 12 Ayes: Representative(s) McKelvey, Kawakami, Belatti, Brower, Cabanilla, Evans, Ito, C. Lee, Tsuji, Yamane, McDermott, Thielen; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Cachola, Carroll, Har.
2/13/2013	H	Reported from CPC (Stand. Com. Rep. No. 359) as amended in HD 1, recommending passage on Second Reading and referral to FIN.
2/13/2013	H	Passed Second Reading as amended in HD 1 and referred to the committee(s) on FIN with none voting aye with reservations; none voting no (0) and Coffman, Har, Say excused (3).
2/19/2013	H	Bill scheduled to be heard by FIN on Thursday, 02-21-13 11:00AM in House conference room 308.
2/21/2013	H	The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 16 Ayes: Representative(s) Luke, Nishimoto, Johanson, Cullen, Hashem, Jordan, Kobayashi, Lowen, Morikawa, Onishi, Takayama, Tokioka, Woodson, Yamashita, Fukumoto, Ward; Ayes with reservations: none; Noes: none; and 1 Excused: Representative(s) Ing.
2/28/2013	H	Reported from FIN (Stand. Com. Rep. No. 670), recommending passage on Third Reading.
2/28/2013	H	Passed Third Reading with none voting aye with reservations; none voting no (0) and Coffman, McDermott excused (2). Transmitted to Senate.
3/1/2013	S	Received from House (Hse. Com. No. 88).
3/1/2013	S	Passed First Reading.
3/5/2013	S	Referred to CPN, WAM.
3/7/2013	S	The committee(s) on CPN has scheduled a public hearing on 03-12-13 10:00AM in conference room 229.



March 11, 2013

TO: SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Senator Rosalyn Baker, Chair
Senator Brickwood Galuteria, Vice Chair

FROM: Daniel Dinell ARDA-Hawaii, Chair

RE: H.B. 424 HD1, Relating to Timeshare Conveyances

Position: Support

Dear Chair Baker, Vice Chair Galuteria, and members of the Committee:

The American Resort Development Association (ARDA) Hawaii, the local chapter of the national timeshare trade association, supports H.B. 424 establishing a Hawaii State Timeshare Commissioner of Deeds.

Hawaii law allowed for authentication of real estate documents by a Hawaii State Commissioner of Deeds from 1915 to 1989. The law was repealed because the State had not ever appointed a Commissioner of Deeds. This new bill would reestablish that program to allow for the sale of timeshare units located within Hawaii to take place in international waters and in foreign countries without having to secure approval of a U.S. State Department Consular officer or an apostille, which is a cumbersome and time consuming process.

The State of Florida has a similar program that has been in effect since 1988 and has worked well for the timeshare industry in Florida. We believe a similar program will work well to expand the pool of potential purchasers of Hawaii based timeshares. The original bill was amended by the House Committee on Consumer Protection and Commerce to include a bonding requirement and made other technical amendments. We support the bonding requirement and realize that there are several options as to where the bond would be held. We have no preference as to where it is held.

A companion measure, SB 914 SD1 was considered and amended by this committee to include additional consumer protections. We worked with the chair on those amendments and support including them in this bill. We look forward to hearing the testimony of the other stakeholders and working with them and the Committee to improve this bill as it moves through the legislative process. Thank you for the opportunity to submit testimony in support of H.B. 424 HD1.

MCCORRISTON MILLER MUKAI MACKINNON LLP
ATTORNEYS AT LAW

March 11, 2013

Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Members of the Senate Committee on Commerce and Consumer Protection
Twenty-Seventh Legislature
Regular Session, 2013

Re: H.B. 424, H.D.1
Hearing on Tuesday, March 2013, 10:00 a.m.
Conference Room 229

Dear Chair, Vice-Chair and Members of the Committee:

My name is Charles Pear. I am a partner with McCorriston Miller Mukai MacKinnon. I represent SVO Pacific, Inc., a Florida corporation. It is a wholly owned subsidiary of Starwood Vacation Ownership, the time share arm of Starwood Hotels and Resorts Worldwide, Inc. It is the developer of various Westin and Sheraton time share plans, including the Westin Ka'anapali Ocean Resort Villas (on Maui), the Westin Ka'anapali Ocean Resort Villas North (also on Maui) and the Westin Princeville Ocean Resort Villas (on Kauai).

SVO Pacific supports the bill.

SVO Pacific requests that the bill be modified to be consistent with SB914, S.D. 1.

SVO Pacific concurs with the proposed change to the Notice of Legal Effect, as follows:

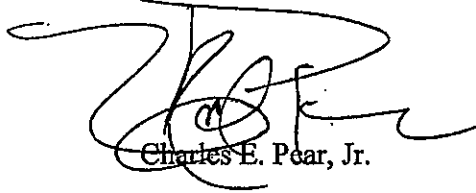
LEGAL EFFECT OF CERTIFICATION BY A
COMMISSIONER OF DEEDS. A certification by a Hawaii
commissioner of deeds is intended only to confirm that a document
was signed by a person whose signature appears on it. It does not
validate the substance, contents and/or legal effect of the
document, nor indicate that the document has been approved
and/or endorsed by any governmental authority, including the State
of Hawaii. The documents that you are signing may have legal
consequences and you may have rights under Hawaii law.
~~[Timesharing is regulated in Hawaii and you may have rights
under Hawaii law.]~~ By signing below, you acknowledge that you
have read and understand this.

Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Members of the Senate Committee on
Commerce and Consumer Protection
March 11, 2013
Page 2

Thank you for your kind consideration of this legislation. I would be happy to take any questions if you think that I may be of assistance.

Very truly yours,

MCCORRISTON MILLER MUKAI MACKINNON LLP

A handwritten signature in black ink, appearing to read 'CEP', is written over the typed name 'Charles E. Pear, Jr.'.

Charles E. Pear, Jr.

MCCORRISTON MILLER MUKAI MACKINNON LLP

ATTORNEYS AT LAW

March 11, 2013

Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Members of the Senate Committee on Commerce and Consumer Protection
Twenty-Seventh Legislature
Regular Session, 2013

Re: H.B. 424, H.D.1
Hearing on Tuesday, March 2013, 10:00 a.m.
Conference Room 229

Dear Chair, Vice-Chair and Members of the Committee:

My name is Charles Pear. I am a partner with McCorriston Miller Mukai MacKinnon. I was the Editor-in-Chief of the Hawai'i Conveyance Manual II and have personally worked on thousands of deeds, leasehold assignments, mortgages and other recordable documents in Hawai'i. I have also worked with the State and other interested parties in revising Hawai'i's Land Court recording system.

I am present today on behalf of Disney Vacation Development, Inc., a Florida corporation ("DVD"). It is the time share arm of the Walt Disney family of companies.

DVD supports the bill.

DVD requests that the bill be modified to be consistent with SB914, S.D. 1.

On behalf of DVD, I have contacted Ms. Lori Beth Van Cantfort of the Department of Commerce and Consumer Affairs. Based on our discussions, we recommend that the Notice of Legal Effect be modified to read as follows:

LEGAL EFFECT OF CERTIFICATION BY A COMMISSIONER OF DEEDS. A certification by a Hawaii commissioner of deeds is intended only to confirm that a document was signed by a person whose signature appears on it. It does not validate the substance, contents and/or legal effect of the document, nor indicate that the document has been approved and/or endorsed by any governmental authority, including the State of Hawaii. The documents that you are signing may have legal

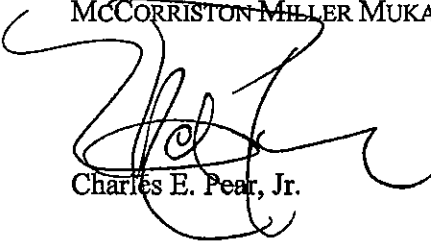
Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Members of the Senate Committee on
Commerce and Consumer Protection
March 11, 2013
Page 2

consequences and you may have rights under Hawaii law.
[Timesharing is regulated in Hawaii and you may have rights
under Hawaii law.] By signing below, you acknowledge that you
have read and understand this.

Thank you for your kind consideration of this legislation. I would be happy to take any
questions if you think that I may be of assistance.

Very truly yours,

MCCORRISTON MILLER MUKAI MACKINNON LLP



Charles E. Pear, Jr.

**Testimony of
Gary M. Slovin / Mihoko E. Ito
on behalf of
Wyndham Vacation Ownership**

DATE: March 11, 2013

TO: Senator Rosalyn Baker
Chair, Committee on Commerce and Consumer Protection
Submitted Via CPNTestimony@capitol.hawaii.gov

RE: **H.B. 424 HD1– Relating to Timeshare Conveyances**
Hearing Date: Tuesday, March 12, 2013 at 10:00 a.m.
Conference Room: 229

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

We submit this testimony on behalf of Wyndham Vacation Ownership.

Wyndham Vacation Ownership offers individual consumers and business-to-business customers a broad suite of hospitality products and services through its portfolio of world-renowned brands. Wyndham has a substantial presence in Hawaii through its Wyndham Vacation Resorts and WorldMark by Wyndham brands.

Wyndham **supports** H.B. 424 HD1, which authorizes the Governor to appoint Commissioners of Deeds to take acknowledgments, proofs of execution, or oaths in specified jurisdictions related to the conveyance of time share properties located within the State.

This bill would help streamline the process for consumers who are located abroad and wish to purchase a timeshare property in Hawaii. The Commissioner of Deeds could then take acknowledgements and proofs of execution of the consumer's signature on all necessary paperwork and enable the document to be properly recorded in accordance with Hawaii law.

This committee heard the companion bill S.B. 914, and made several changes to the bill. Wyndham supports the changes reflected in S.B. 914, S.D. 1.

Thank you for the opportunity to submit testimony on this measure.

Gary M. Slovin
Mihoko E. Ito
Tiffany N. Yajima
Nicole A. Velasco

1099 Alakea Street, Suite 1400
Honolulu, HI 96813
(808) 539-0840