

Honolulu, Hawaii
February 7, 2014

RE: H.B. No. 2019
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2019 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Permit prospective purchasers of time share interests to receive printed or electronic copies of the disclosure statement on the time share plan; and
- (2) Amend the renewal process for time share registrations by:
 - (A) Permitting the developer to disclose either the total number of time share interests or the total number of points in a time share plan;
 - (B) Eliminating the requirement that developers provide title insurance and title reports; and
 - (C) Eliminating the requirement that developers file a financial statement with each renewal.

The Department of Commerce and Consumer Affairs, American Resort Development Association Hawaii, Starwood Vacation Ownership, Wyndham Vacation Ownership, Marriott Vacations

HB2019 HD1 HSCR CPC HMS 2014-1623



Worldwide, and Royal Aloha Vacation Club testified in support of this measure.

Your Committee has amended this measure by:

- (1) Amending the disclosure statement language in order to clearly alert purchasers to read the disclosure statement before the seven-day rescission period expires; and
- (2) Requiring developers to include in an application for renewal of a developer registration the total number of registered time share interests in each unit and the total number of registered points in each property.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2019, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2019, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



