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**PRESENTATION OF THE
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION**

TO THE HOUSE COMMITTEE ON TOURISM

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016

Wednesday, March 16, 2016
10:00 a.m.

**TESTIMONY ON SENATE BILL NO. 2673, S.D. 2, RELATING TO TRAVEL
AGENCIES.**

TO THE HONORABLE TOM BROWER,
AND MEMBERS OF THE COMMITTEE:

My name is Carol Kramer and I am the Executive Officer for the Travel Agency Program, Department of Commerce and Consumer Affairs (“Department”). The Department thanks you for the opportunity to provide comments on Senate Bill No. 2673, S.D. 2, which proposes to add a new section to require a travel agency selling activities individually or as part of a package to register as an activity desk.

When a travel agency sells activities separately, the Department agrees the travel agency shall register as an activity desk. Customer payments for travel services and activities are deposited into separate client trust accounts, under §468L-5, Hawaii Revised Statutes (“HRS”), and §468M-9, HRS, respectively.

The Department questions the need for those travel agencies selling activities as part of a package tour to register for two licenses. Requiring two licenses hampers business, over-regulates and replicates consumer protection already afforded in Chapter 468L, HRS. Consumer protection is in place under both chapters with the requirement of a client trust account.

The definition of “travel services” in Chapter 468L, HRS, includes package tours, which include the sale of activities. The legislative history shows the intent when creating the definition of travel services under §468L-1, HRS, that “the definition of ‘travel services’ has been expanded so that those who sell visitors’ activities are included within the purview of this bill.” (L1991, c 285, pt of §1; SB 390)

To require travel agencies to register as activity desks when selling activities as part of a package tour will not provide better consumer protection nor will it bring any more clarity to the law.

Thank you for the opportunity to submit comments on Senate Bill No. 2673,
S.D. 2.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 15, 2016 9:50 AM
To: TOUtestimony
Cc: vie@maui.net
Subject: Submitted testimony for SB2673 on Mar 16, 2016 10:00AM

SB2673

Submitted on: 3/15/2016

Testimony for TOU on Mar 16, 2016 10:00AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Raymond J Hutaff	Valley Isle Excursions, Inc	Support	No

Comments: Aloha Chair Representative Brower, Vice Chair Representative Ohno & Members of the committee; Mahalo for this opportunity to testify, my name is Raymond J Hutaff. I have been involved with Doing Hana Tours since 1984, in 1997 we purchased Valley Isle Excursions, Inc. Since then I have seen the problems associated with a few activity resellers abandon our visitors by either taking the money and run, or by filing bankruptcy, this leaves our visitor at risk, Hawaii needs to do everything to protect our visitor industry. We have to insure integrity on all levels with our providers and resellers. We need help, not only to protect our business, but to protect our visitor, with protecting our visitors vacation as the the absolute priority. This chapter involves consumer protection as it relates to the sale of Air, Room, Car, Transfers and baggage services. Over time, the role of a Hawaii Travel Agent has expanded to include booking the many fun things to do for inbound visitors. There is a requirement for obtaining an AD license when booking Hawaii's Activities & Attractions. HRS468M is a chapter specifically addressing the relationship between the Activity Desks and Activity Providers. This chapter provides checks and balances regarding this unique situation where money is collected from the consumer and disbursed following services being rendered. The assurances in HRS468M protect the consumer and the Activity Provider. These same protections are not covered in HRS468L, therefore if a TAR licensed entity sells Activity Provider products as defined in HRS468M, they should also be required to obtain an AD license. Sincerely, Raymond J Hutaff Vice President Valley Isle Excursions "Tour in Style and Comfort" May all your days be filled with Happiness, Kindness and Most of all ... Aloha.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Activities & Attractions Association of Hawaii
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(808)871-7947 Main (808)877-3104 Fax

Testimony to the
COMMITTEE ON TOURISM
Rep. Tom Brower, Chair
Rep. Takashi Ohno, Vice Chair
Wednesday, March 16, 2016, 10:00 am
Conference Room 312

RE: Support SB2673 SD2 RELATING TO TRAVEL AGENCIES

Aloha Chair Representative Brower, Vice Chair Representative Ohno & Members of the committee;

Mahalo for this opportunity to testify, my name is Toni Marie Davis. For the last 18 years it has been my honor to serve the Activity & Attraction industry of Hawaii through my position as the Executive Director of A3H (Activities & Attractions Association of Hawaii). A3H represents nearly 200 businesses statewide. Our members range in size from very large (over 300 employees) to very small (1-2 employees). **A3H SUPPORTS SB2673 SD2 as written.**

HRS468L addresses the role and requirements of a licensed Travel Agent in the state of Hawaii. This chapter involves consumer protection as it relates to the sale of Air, Room, Car, Transfers and baggage services. Over time, the role of a Hawaii Travel Agent has expanded to include booking the many fun things to do for inbound visitors. There is a requirement for obtaining an AD license when booking Hawaii's Activities & Attractions.

HRS468M is a chapter specifically addressing the relationship between the Activity Desks and Activity Providers. This chapter provides checks and balances regarding this unique situation where money is collected from the consumer and disbursed following services being rendered. The assurances in HRS468M protect the consumer and the Activity Provider. These same protections are not covered in HRS468L, therefore if a TAR licensed entity sells Activity Provider products as defined in HRS468M, they should also be required to obtain an AD license.

Sincerely,

Toni

Toni Marie Davis
Executive Director

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 13, 2016 6:04 PM
To: TOUtestimony
Cc: mendy@fair-wind.com
Subject: Submitted testimony for SB2673 on Mar 16, 2016 10:00AM

SB2673

Submitted on: 3/13/2016

Testimony for TOU on Mar 16, 2016 10:00AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Melynda Dant	Individual	Support	No

Comments: Please support this bill. Travel Agencies collecting the monies that belong to other companies should be held under the same rules and laws. as the activity desk companies.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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