



OFFICE OF THE LIEUTENANT GOVERNOR  
STATE OF HAWAII  
STATE CAPITOL  
HONOLULU, HAWAII 96813

SHAN S. TSUTSUI  
LIEUTENANT GOVERNOR

**TESTIMONY OF  
THE OFFICE OF THE LIEUTENANT GOVERNOR  
TO THE  
SENATE COMMITTEE ON WAYS AND MEANS**

**SENATE BILL 2910, SENATE DRAFT 1  
Relating to Time Share Commissioners of Deeds**

Chair Tokuda, Vice-Chair Dela Cruz, and Members of the Committee:

The Office of the Lieutenant Governor ***supports*** Senate Bill 2910, Senate Draft 1, Relating to Time Share Commissioners of Deeds. This measure adds new sections to chapter 503B, Hawaii Revised Statutes to clarify the Lieutenant Governor's rulemaking authority; authorizes the Lieutenant Governor to assess and collect fees and administrative fines; clarifies that the Lieutenant Governor is responsible for the commissioners of deeds program; increases the surety bond requirement from \$1,000 to \$10,000; and appropriates funds.

Act 277, SLH 2013 (now codified as Chapter 503B, HRS) established the Time Share Commissioners of Deeds Program within the Office of the Lieutenant Governor. Act 277 requires the Office of the Lieutenant Governor to establish a process for the Governor to appoint individuals to serve as Commissioners of Deeds to administer oaths, take acknowledgements, and take proofs of execution outside of the United States in connection with the execution of conveyance documents relating to a time share interest, any property subject to a time share plan, or the operation of a time share plan covering any property located within Hawaii.

Preparing for the implementation of the law and to address concerns with the law, a working group consisting of the Office of the Lieutenant Governor, the Department of the Attorney General, the Department of Commerce and Consumer Affairs, the Bureau of Conveyances, and members of the time share industry was convened and met on multiple occasions over the course of several months to discuss and analyze the law and draft proposed administrative rules. Although substantial progress has been made to draft administrative rules for the program's implementation, it was determined that additional legislation and authorization is necessary prior to implementation. This measure addresses those issues and will provide the Office of the Lieutenant Governor with the necessary authority and clarification to properly and effectively implement the law.

At the moment, fiscal impact and impact on the state economy is unknown as the program cannot be fully implemented without these amendments. The Office of the Lieutenant Governor supports SB 2910, SD1 and respectfully urges the passage of this bill. Thank you for the opportunity to testify.



February 17, 2016

TO: COMMITTEE ON WAYS AND MEANS  
Senator Jill N. Tokuda, Chair  
Senator Donovan M. Dela Cruz, Vice-Chair

FR: Henry Perez, President – via Blake Oshiro, Executive Director  
American Resort Development Association

RE: S.B. 2910 S.D. 1 Relating to Time Share Commission of Deeds  
**Position: Support**

Dear Chair Tokuda, Vice Chair Dela Cruz, and members,

The American Resort Development Association (ARDA) Hawaii, the local chapter of the national timeshare trade association, supports SB 2910 SD1. This is an Administration bill that provides fees and fines associated with oversight of the commissioners, with the responsibilities housed within the Lieutenant Governor (LG)'s Office. The bill also clarifies and authorizes the LG's rule-making authority to administer and implement this chapter.

We note that this measure is substantially similar to last session's HB 1219, HD1, SD1 that did not pass conference committee. The main difference in this version is that there is no longer the creation of a revolving fund to provide the resources for the position and expenses associated with this function. Instead, fees and fines go into the general fund, and funding for the office comes from the general fund.

Session Laws 2013 Act 277 was codified as Haw. Rev. Statutes Chapter 503B and established the Time Share Commissioner of Deeds. The funding for that position was placed in the supplemental budget for one position to administer the program, but was not re-appropriated since that time. However, as this is a function that is and will be ongoing, ARDA supports this bill since it appropriates funds for the position.

Thank you for the opportunity to submit testimony in support of SB 2910 SD1.

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

DATE: February 16, 2016

TO: Senator Jill Tokuda  
Chair, Committee on Ways and Means  
*Submitted Via [WAMTestimony@capitol.hawaii.gov](mailto:WAMTestimony@capitol.hawaii.gov)*

RE: **S.B. 2910 S.D. 1– Relating to Time Share Commissioners of Deeds  
Hearing Date: Wednesday, February 17, 2016 at 9:15 a.m.  
Conference Room: 211**

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Dear Chair Tokuda and Members of the Committee on Ways and Means:

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

Wyndham **supports** S.B. 2910, S.D.1 which adds new sections to chapter 503B, Hawaii Revised Statutes to clarify that the Lieutenant Governor is responsible for the program. The bill further increases the surety bond requirement from \$1,000 to \$10,000 and provides funds to administer the Commissioners of Deeds program.

Wyndham supports the bill because the proposed amendments to the Commissioners of Deeds program will streamline the process for consumers located outside the United States who wish to purchase timeshare properties in Hawaii and includes protections for the consumers as well.

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

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Gary M. Slovin  
Mihoko E. Ito  
C. Mike Kido  
Tiffany N. Yajima

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February 16, 2016

Sen. Jill N. Tokuda, Chair  
Sen. Donovan M. Dela Cruz, Vice Chair  
Members of the Senate Committee on  
Ways and Means  
Twenty-Eighth Legislature  
Regular Session, 2016

Re: S.B. 2910, S.D. 1  
Decision Making on February 17, 2016, 9:15 a.m.  
Conference Room 211

Dear Chair, Vice Chair and Members of the Committee:

My name is Charles Pear. I am appearing as legislative counsel for ARDA Hawaii.

ARDA Hawaii supports the bill.

Deeds of timeshare interests in Hawai'i timeshare plans must be notarized in order to be recordable. Typically, this is not a problem for deeds signed in Hawai'i or in other states. However it can pose a problem in jurisdictions outside of the U.S. in which notaries are not common. It can also pose a problem on cruise ships where there are no notaries.

In 2013, the Legislature adopted Chapter 503B, HRS. It revived former Chapter 503, HRS, which grants the Governor the authority to appoint "Commissioners of Deeds." Commissioners of Deeds would have the authority to acknowledge the execution of timeshare conveyance documents (e.g., deeds, mortgages, etc.) for Hawai'i timeshares outside of the United States (e.g., in foreign countries) and on cruise ships.

In 2014, the Office of the Lt. Governor established an informal working group that was very ably chaired by Jayson Watts of the Office of the Lt. Governor. Other participants included representatives of the time share industry (Disney, Marriott and Wyndham) as well as representatives of the Office of the Attorney General, the Department of Commerce and Consumer Affairs, and the Bureau of Conveyances.

This effort resulted in the preparation of proposed Rules implementing the Commissioner of Deeds program. By October 6, 2014, the proposed Rules had received approvals by all necessary departments and agencies, and the Governor approved the publication of the Rules for

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Chair, Vice Chair and Members,  
Senate Committee on Ways and Means  
February 16, 2016  
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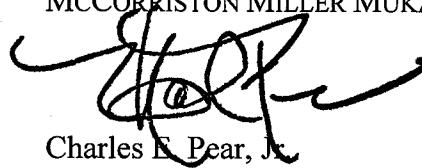
final adoption. The time share industry is, of course, eager to complete this process and implement the program.

During its deliberations, the working group identified a number of areas where Chapter 503B could be clarified or otherwise enhanced. We understand that the bill currently under consideration is intended to include those enhancements, and we support the revisions proposed.

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 some small assistance.

Very truly yours,

MCCORRISTON MILLER MUKAI MACKINNON LLP

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

Charles E. Pear, Jr.

CEP:kn



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

February 17, 2016

To: Honorable Jill Tokuda, Chair  
Honorable Donovan Dela Cruz, Vice Chair  
Senate Committee on Ways and Means

RE: **SB 2910 SD1 – Relating to Time Share Commissioners of Deeds – In Support**  
Conference Room 211; 9:15 AM

Chair Tokuda, Vice Chair Dela Cruz, and members of the committee:

Starwood Vacation Ownership (“Starwood”) appreciates the opportunity to offer testimony in support of SB 2910 SD1. This measure clarifies the Lieutenant Governor’s rulemaking authority relating to commissioner of deeds and authorizes the Lieutenant Governor to assess and collect fees and administrative fines while overseeing the program. Furthermore, this measure increases the surety bond requirement for commissioners of deeds.

SB 2910 SD1 will ensure a more efficient process for consumers purchasing timeshare property in Hawaii by implementing and funding the commissioner of deeds program that has already been established. Starwood Vacation Ownership is in support of this measure.

Thank you for the opportunity to testify on SB 2910 SD1.

Robin Suarez  
Vice President/General Counsel  
Starwood Vacation Ownership