

---

---

# A BILL FOR AN ACT

RELATING TO CHARTER TOUR OPERATORS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 468L-5, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:  
3           "(a) Within five business days of receipt, all travel  
4 agencies shall deposit all sums received from a consumer, for  
5 travel services offered by the travel agency in a trust account  
6 maintained in a federally insured financial institution located  
7 in Hawaii[-]; provided that charter tour operators may deposit  
8 sums in a client trust account maintained in a federally insured  
9 financial institution outside of the State in compliance with  
10 section 468L-23. A travel agency shall be deemed to have  
11 complied with this section if:  
12           (1) Travel services are paid for by the consumer by means  
13 of a credit, charge or debit card, or by means of a  
14 centrally billed travel account, and the travel agency  
15 submits the charge data to the appropriate payment  
16 processing or card issuing company within five days of  
17 the charge; and



1           (2) Any moneys received from these means by the agency are  
2           handled in accordance with the provisions of this  
3           section."

4           SECTION 2. Section 468L-23, Hawaii Revised Statutes, is  
5 amended to read as follows:

6           " ~~[+]§468L-23 [+~~ Charter tour client trust account. Every  
7 travel agency engaged in the business of a charter tour operator  
8 shall establish and maintain a separate charter tour client  
9 trust account solely for the purpose of the travel agency's  
10 charter tour business. The charter tour client trust account  
11 shall be maintained in accordance with sections 468L-5 and 468L-  
12 24[-]; provided that if the client trust account is maintained  
13 in a federally insured financial institution outside of the  
14 State, then the charter tour operator shall file a written  
15 irrevocable agreement and authorization with the department,  
16 that allows the department, upon written request to the  
17 financial institution, to examine and obtain copies at the  
18 department of all business records related to the trust account  
19 that are maintained by the financial institution. The agreement  
20 shall state that the authorization shall be effective for as  
21 long as the financial institution retains the records."



# H.B. NO. 1262

1           SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 4. This Act shall take effect upon its approval.

4

INTRODUCED BY: Jahadi Om

JAN 24 2017



# H.B. NO. 1262

**Report Title:**

Charter Tour Operators; Trust Account; Financial Records

**Description:**

Permits charter tour operators to deposit funds in a federally insured institution outside of the State. If funds are deposited outside of the State, then charter tour operators shall allow the department of commerce and consumer affairs to access the tour operator's financial records through the financial institution.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

