
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 received from a consumer in a client trust account
9 maintained in a federally insured financial institution outside
10 the State in compliance with section 468L-23. A travel agency
11 shall be deemed to have 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 the State,
14 then the charter tour operator shall file a written irrevocable
15 agreement and authorization with the department, that allows the
16 department, upon written request to the financial institution,
17 to examine and obtain copies at the department of all business
18 records related to the client trust account that are maintained
19 by the financial institution. The agreement shall state that
20 the authorization shall be effective for as long as the
21 financial institution retains the records."



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 Statutory material to be repealed is bracketed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 on July 1, 2099.



Report Title:

Charter Tour Operators; Trust Account; Financial Records

Description:

Permits charter tour operators to maintain client trust accounts in a federally insured financial institution outside the State; provided that charter tour operators agree to allow the Department of Commerce and Consumer Affairs to access the tour operator's financial records through the financial institution.
(HB1262 HD1)

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