

JAN 25 2017

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# 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 subject to  
8 part II may deposit sums subject to section 468L-23 in a trust  
9 account maintained in a federally insured financial institution  
10 serving as the depository bank for a public charter program  
11 pursuant to the requirements of title 14 Code of Federal  
12 Regulations, part 380, as amended. A travel agency shall be  
13 deemed to have complied with this section if:  
14 (1) (A) Travel services are paid for by the consumer by  
15 means of a credit, charge or debit card, or by  
16 means of a centrally billed travel account, and  
17 the travel agency submits the charge data to the



1                   appropriate payment processing or card issuing  
2                   company within five days of the charge; and  
3       ~~[(2)]~~ (B) Any moneys received from these means by the  
4                   agency are handled in accordance with the  
5                   provisions of this section~~[-]~~; or  
6       (2) A charter tour operator subject to part II deposits  
7       sums subject to section 468L-23 in a trust account  
8       maintained in a federally insured financial  
9       institution located out of the State pursuant to this  
10       section; provided that the charter tour operator files  
11       with the department an irrevocable agreement and  
12       authorization in writing, in a form prescribed by the  
13       department, allowing the department, upon written  
14       request to the financial institution, to examine and  
15       obtain copies of all business records maintained by  
16       the financial institution related to the trust  
17       account, regardless of the location of the financial  
18       institution and records. The agreement shall indicate  
19       that the authorization remains in effect for as long  
20       as the financial institution retains the records."



# S.B. NO. 1299

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 Statutory material to be repealed is bracketed  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

3 SECTION 3. This Act shall take effect upon its approval.  
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INTRODUCED BY: Clarence K. Bush

*[Handwritten signatures]*  
L. J. ...  
L. J. ...  
M. ...  
R. ...  
D. ...



# S.B. NO. 1299

**Report Title:**

Travel Agencies; Client Trust Accounts; Charter Tour Operators

**Description:**

Provides that charter tour operators may deposit sums subject to section 468L-23, HRS, in a trust account maintained in a federally insured financial institution serving as the depository bank for a public charter program subject to federal regulations.

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

