

STAND. COM. REP. NO. 866

Honolulu, Hawaii

**MAR 03 2023**

RE: S.B. No. 798  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and  
Judiciary, to which was referred S.B. No. 798, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TIME SHARING,"

beg leave to report as follows:

The purpose and intent of this measure is to clarify that a  
developer is responsible for ensuring that the use of out-of-state  
time share units for time sharing purposes complies with zoning  
and land use laws and rules of the jurisdiction where the time  
share units are located but is not required to submit evidence of  
such compliance to register in Hawaii.

Your Committees received testimony in support of this measure  
from Marriot Vacations Worldwide Corporation, American Resort  
Development Association - Hawaii, and one individual. Your  
Committees received testimony in opposition to this measure from  
UNITE HERE! Local 5. Your Committees received comments on this  
measure from the Department of Commerce and Consumer Affairs.

Your Committees find that existing law prohibits time sharing  
in areas of Hawaii that are not zoned for time sharing. This law  
was adopted to protect residential neighborhoods in the State from  
being transient neighborhoods with homes used for time shares.  
However, this has had the unintended consequence of causing the  
Department of Commerce and Consumer Affairs to require time share  
developers to provide evidence that the developers' time share



units located outside the State are also in compliance with local zoning laws in their respective locations. No other state requires this information and providing this information is costly and time consuming for developers. This measure restates and clarifies the original intent of the zoning confirmation requirement by requiring developers to ensure that time share units located in Hawaii comply with local zoning laws and clarifies that developers are not required to submit evidence of compliance of out-of-state time share units complying with legal requirements of other jurisdictions upon registering in Hawaii, thus protecting consumers of time share units in Hawaii while streamlining the time share registration process.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 798, S.D. 1, and recommend that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committees on Commerce and  
Consumer Protection and  
Judiciary,



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KARL RHOADS, Chair



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JARRETT KEOHOKALOLE, Chair





