STAND. COM. REP. NO. 1800

Honolulu, Hawaii

APR 13 2007 RE: S.C.R. No. 75 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred S.C.R. No. 75, S.D. 1, entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO PERFORM A SUNRISE ANALYSIS OF THE REGULATION OF DESTINATION CLUBS AND THOSE WHO MARKET THEM,"

begs leave to report as follows:

The purpose of this Concurrent Resolution is to request the Auditor to perform a sunrise analysis of the regulation of destination clubs and those who market them.

Your Committee received comments in support of this Concurrent Resolution from the Department of Commerce and Consumer Affairs and the Destination Club Association.

Your Committee finds that destination clubs are a growing part of the travel and tourism industry in Hawaii. Destination clubs offer members access to the club's portfolio of luxury properties in locations around the world, including Hawaii. Currently, there are no specific regulatory statutes governing destination clubs in Hawaii.

Your Committee finds that in 2006, the Department of Commerce and Consumer Affairs convened a working group that included representatives of the destination club and timeshare industries and the Department, to discuss the creation of a regulatory framework for destination clubs. Further, during the 2007 Regular Session of the Legislature, S.B. No. 697 was introduced, to

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regulate destination clubs and the marketing of destination clubs. This Concurrent Resolution requests the Auditor to conduct a sunrise review in compliance with section 26H-6, Hawaii Revised Statutes, to determine whether regulation of destination clubs and those who market them is necessary.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 75, S.D. 1, and recommends its adoption.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
SCR 75 SD1	CPH, WATM			4/11/07	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		lye /	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
TSUTSUI, Shan S. (VC)		<b>/</b>			
CHUN OAKLAND, Suzanne	<u> </u>				
ENGLISH, J. Kalani					
FUKUNAGA, Carol					
HOOSER, Gary L.		<u> </u>			
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred					
WHALEN, Paul					
		/	<u> </u>	A	
TOTAL		0	<u> </u>	<u> </u>	シ
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

\*Only one measure per Record of Votes