

Honolulu, Hawaii

April 25, 2008

RE: H.B. No. 2372
H.D. 2
S.D. 2
C.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2372, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TIME SHARE PLANS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to streamline the regulation of time share plans by exempting:

- (1) From the time share law, the offer or sale, in Hawaii, of an additional interest in a time share plan to an existing purchaser in the same time share plan, provided that certain conditions are met; and
- (2) From certain provisions of the time share law, the offer or sale by a developer, in Hawaii, of a time share interest in a time share plan located outside of Hawaii, but within the United States, to an individual who



currently owns a time share interest that was purchased from the developer, or the developer's affiliates, provided that certain conditions are met.

Upon further consideration, your Committee on Conference has amended this measure by, among other things:

- (1) Allowing, in lieu of explicit exemptions, the Director of Commerce and Consumer Affairs (Director) to issue a limited permit:
 - (A) Permitting the offer or sale by a developer, in Hawaii, of an additional interest in a time share plan to an existing purchaser in the same time share plan, provided that certain conditions are met; or
 - (B) Permitting the offer or sale by a developer, in Hawaii, of a time share interest in a time share plan located outside of Hawaii, but within the United States, to an individual who currently owns a time share interest that was purchased from that developer, or that developer's affiliate, provided that certain conditions are met;
- (2) Expanding the disclosure statement required to be provided in a contract for purchase to include additional information;
- (3) In lieu of the notice requirements for out-of-state time share plans, requiring:
 - (A) A developer offering a time share plan through a limited permit to file an application with the Director, along with payment of a one-time fee of \$1,000 per time share plan; and
 - (B) The Director, within ten days of receipt of the completed application and fee, to issue a limited permit to the developer reflecting that the filing has been accepted and that the offering of the time share plan is permitted;
- (4) Establishing a renewal process for the limited permits;
- (5) Making this measure effective upon its approval; and



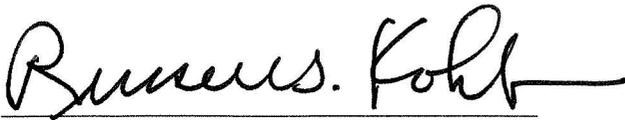
- (6) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2372, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2372, H.D. 2, S.D. 2, C.D. 1.

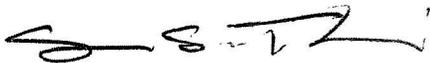
Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

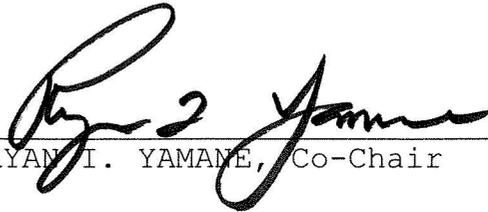
ON THE PART OF THE HOUSE



RUSSELL S. KOKUBUN, Chair



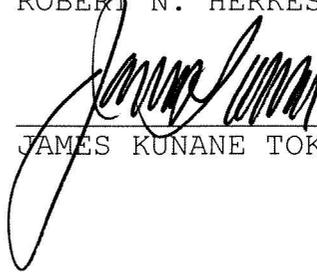
SHAN S. TSUTSUI, Co-Chair



RYAN I. YAMANE, Co-Chair



ROBERT N. HERKES, Co-Chair



JAMES KUNANE TOKIOKA, Co-Chair



