

STAND. COM. REP. NO.

249

Honolulu, Hawaii

FEB 09

, 2023

RE: H.B. No. 13

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred H.B. No. 13
entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require, for time share plans that use title-holding trusts, the developer to submit a title report evidencing that the title vested in the trustee;
- (2) Require, for time share plans that use a notice of time share plan, the recordation of the notice and its submission; and
- (3) Require, for time share plans that use alternative arrangements, the recordation of any alternative arrangement documents.

Your Committee received testimony in support of this measure from American Resort Development Association Hawaii, Marriott Vacations Worldwide Corporation, Hilton Grand Vacations, and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

2023-1292 HB13 HD1 HSCR HMSO



Your Committee finds that existing law requires that the sale of a time share interest may only close if the buyers are protected from the foreclosure of blanket liens, such as mortgages, that could result in the loss of a time share interest owned by a buyer. When registering a time share plan, the developer must submit a title report or title policy showing that the title has been conveyed to the trustee. However, your Committee notes that this is unnecessary as blanket lien protections are fully in place upon the initial registration of the time share project. This measure will streamline the review of time share registration filings and avoid duplicative paperwork.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 13, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 13, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Tourism,


SEAN QUINLAN, Chair



