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# HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO  
STUDY BARRIERS TO EXITING TIMESHARE OWNERSHIP IN HAWAII AND  
TO RECOMMEND CONSUMER PROTECTION MEASURES.

1           WHEREAS, timeshare ownership has long been marketed to  
2 residents and visitors as a means of securing recurring vacation  
3 accommodations in Hawaii and is a significant segment of  
4 Hawaii's tourism and real estate economy; and

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6           WHEREAS, many timeshare purchasers enter into agreements  
7 that require ongoing maintenance fees and contractual  
8 obligations that may continue indefinitely; and

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10           WHEREAS, numerous timeshare owners report significant  
11 difficulty exiting or transferring their timeshare interests,  
12 even when they no longer wish to maintain ownership or are  
13 unable to continue paying associated fees; and

14  
15           WHEREAS, some owners seeking to exit timeshare contracts  
16 have turned to third-party timeshare exit companies that  
17 advertise assistance with timeshare resale or cancellation but  
18 charge substantial upfront fees and frequently fail to  
19 successfully transfer or terminate the ownership interest; and

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21           WHEREAS, the Federal Trade Commission and numerous state  
22 attorneys general have investigated and taken enforcement  
23 actions against these third-party exit companies for deceptive  
24 and unfair trade practices, including misrepresenting their  
25 ability to cancel timeshare contracts and collecting fees while  
26 providing no meaningful services; and

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28           WHEREAS, Hawaii residents have been harmed by such  
29 predatory practices, becoming trapped in a cycle of financial



# H.C.R. NO. 164

1 loss- first by perpetual timeshare obligations they cannot exit,  
2 and second by third party fees that yield no relief; and

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4 WHEREAS, these circumstances may result in financial  
5 hardship for consumers, particularly kupuna, fixed-income  
6 households, and families facing unexpected life changes; and

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8 WHEREAS, Hawaii law currently provides a minimum rescission  
9 period during which a timeshare purchaser may cancel a contract,  
10 but that period may be insufficient to protect consumers who do  
11 not fully understand the long-term financial implications of  
12 their purchase at the time of signing; and

13  
14 WHEREAS, improving transparency and consumer protections  
15 related to timeshare ownership, resale, and exit options may  
16 help prevent financial harm and ensure that consumers are fully  
17 informed before entering into long-term contractual obligations;  
18 and

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20 WHEREAS, other states have enacted timeshare-specific  
21 consumer protection measures, including requirements that  
22 developers accept the return of timeshare interests under  
23 certain conditions and that third-party exit service providers  
24 meet licensing and bonding standards; and

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26 WHEREAS, a comprehensive study of timeshare exit practices,  
27 the regulation of timeshare exit companies, the adequacy of  
28 current disclosure and rescission requirements, and the  
29 experiences of Hawaii timeshare owners would provide the  
30 Legislature with the information necessary to consider  
31 meaningful consumer protection legislation; and

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33 WHEREAS, the Department of Commerce and Consumer Affairs is  
34 responsible for protecting consumers and regulating various  
35 professional and business activities in the State; now,  
36 therefore,

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38 BE IT RESOLVED by the House of Representatives of the  
39 Thirty-third Legislature of the State of Hawaii, Regular Session  
40 of 2026, the Senate concurring, that the Department of Commerce  
41 and Consumer Affairs is requested to conduct a study on barriers



1 to exiting timeshare ownership in Hawai'i and to recommend  
2 consumer protection measures; and

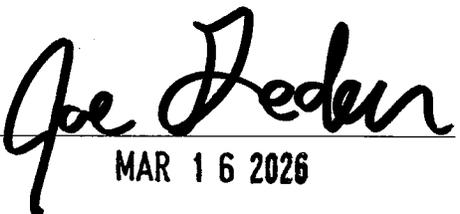
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4 BE IT FURTHER RESOLVED that the study is requested to  
5 examine:

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- 7 (1) Consumer complaints related to timeshare ownership,
- 8 resale, and exit services in Hawaii;
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- 10 (2) Common contractual provisions that may make it
- 11 difficult for owners to terminate or transfer
- 12 timeshare interests;
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- 14 (3) The business practices of companies that offer
- 15 services to assist owners in exiting timeshare
- 16 contracts, including fee structures and success rates;
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- 18 (4) Existing consumer protections under Hawaii law and
- 19 potential gaps in oversight or enforcement; and
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- 21 (5) Best practices adopted by other states to protect
- 22 timeshare owners and regulate the timeshare resale and
- 23 exit assistance industry; and
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25 BE IT FURTHER RESOLVED that the Department of Commerce and  
26 Consumer Affairs is requested to submit a report of its findings  
27 and recommendations, including any proposed legislation, to the  
28 Legislature no later than twenty days prior to the convening of  
29 the Regular Session of 2027; and

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31 BE IT FURTHER RESOLVED that certified copies of this  
32 Concurrent Resolution be transmitted to the Director of the  
33 Department of Commerce and Consumer Affairs and the Executive  
34 Director of the Office of Consumer Protection.

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37 OFFERED BY:

  
MAR 16 2026

