

Information & Instructions for Filing - CHARTER TOUR OPERATOR REGISTRATION

Access this form via website at: cca.hawaii.gov/pvl

INFORMATION

NO PERSON SHALL ENGAGE IN THE BUSINESS OF A CHARTER TOUR OPERATOR UNLESS THAT PERSON HAS REGISTERED AS A TRAVEL AGENCY.

DEFINITIONS

"Charter tour operator" means any person who sells or offers for sale charter tours, whether offered on a wholesale or retail basis, excluding any direct air carrier as defined by Title 14, Code of Federal Regulations, section 380.2, as amended, or any other person to whom the provisions of chapter 468L, Hawaii Revised Statutes do not apply.

"Charter tour" means any travel services in which a travel agency contracts with an air carrier and offers for sale a charter, with or without related ground transportation or hotel accommodations.

CHARTER TOUR CLIENT TRUST ACCOUNT

Every travel agency engaged in the business of a charter tour operator shall establish and maintain a separate charter tour client trust account solely for the purpose of the travel agency's charter tour business. The charter tour client trust account shall be maintained in accordance with Section 468L-5, HRS and 468L-24, HRS.

BOND OR IRREVOCABLE LETTER OF CREDIT

All applicants for charter tour operator shall submit proof that the applicant has obtained a bond, irrevocable letter of credit **OR** other security in compliance with Title 14, Code of Federal Regulation, section 380.34, as the same may be amended, or any successor or replacement federal statute or regulation thereto.

The bond or irrevocable letter of credit must be provided for a single bond or single irrevocable letter of credit and must cover the principal office and all branch offices of the charter tour operator.

- For charter tour operators who plan to operate **not more than six charter tours** during any twelve month period of the registration period, the amount of coverage shall be in compliance with Title 14, Code of Federal Regulations, section 380.34, as the same may be amended, or any successor or replacement federal statute or regulation thereto.
- For charter tour operators who plan to operate **seven to fifteen charter tours** during any twelve months or shorter period of the registration period, the amount of coverage of the bond or irrevocable letter of credit shall be equal to **\$300,000**, less the amount of any security provided by the applicant under Title 14, Code of Federal Regulations, section 380.34, as the same may be amended, or any successor or replacement federal statute or regulation thereto.
- For charter tour operators who plan to operate **more than fifteen charter tours** during any twelve months or shorter period of the registration period, the amount of coverage shall be **\$1,000,000**, less the amount of security provided by the applicant under Title 14, Code of Federal Regulations, section 380.34, as the same may be amended, or any successor or replacement federal statute or regulation thereto.

The bond or irrevocable letter of credit shall be issued by a surety or federally-insured lending institution authorized to do business in the State to indemnify any consumer who may suffer loss as a result of nonperformance by a travel agency charter tour operator.

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**BOND OR
IRREVOCABLE
LETTER OF
CREDIT
(cont'd)**

The **bond** may be cancelled only if the charter tour operator gives ninety days prior written notice to the surety and the surety gives sixty days prior written notice to the director of cancellation of the bond and the surety shall be liable for any claims against the bond for a period of six months after expiration or cancellation of the bond.

The **irrevocable letter of credit** may be cancelled only if the charter tour operator gives prior written notice by certified mail to the director and to the issuer at least ninety days before the letter's expiration date; or the date on which the charter tour operator intends the letter to cease being effective, or the issuer gives prior written notice by certified mail to the director at least sixty days before the expiration date.

Upon cancellation or expiration of the bond or irrevocable letter of credit, the surety or insurer shall remain liable for any claims against the bond or irrevocable letter of credit for a period of six months; provided that:

- The debts were incurred while the bond or letter of credit was in effect; and
- The director notifies the surety or insurer, as the case may be, of any claims within ninety days of discovery of any claims.

The surety or insurer shall not be required to release any moneys or collateral to the charter tour operator during the six months after cancellation of the bond or expiration of the letter of credit.

FILING INSTRUCTIONS

**APPLICATION
FORM**

Complete and sign the on-line fillable form or print legibly in black ink.

Incomplete applications will delay the processing of your application.

**SOCIAL
SECURITY
NUMBER**

Your Social Security Number is used to verify your identity for licensing purposes and for compliance with the below laws. **For a license to be issued, you must provide your Social Security Number or your application will be deemed deficient and will not be processed further.** The following laws require that you furnish your Social Security Number to our agency:

FEDERAL LAWS:

42 U.S.C.A. §666(a)(13) requires the Social Security Number of any applicant for a professional license or occupational license be recorded on the application for license; and
If you are a licensed health care practitioner, **45 C.F.R., Part 61, Subpart B, §61.7** requires the Social Security Number as part of the mandatory reporting we must do to the Healthcare Integrity and Protection Data Bank (HIPDB), of any final adverse licensing action against a licensed health care practitioner.

HAWAII REVISED STATUTES ("HRS"):

§576D-13(j), HRS requires the Social Security Number of any applicant for a professional license or occupational license be recorded on the application for license; and
§436B-10(4), HRS which states that an applicant for license shall provide the applicant's Social Security Number if the licensing authority is authorized by federal law to require the disclosure (and by the federal cites shown above, we are authorized to require the Social Security Number).

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FEES **ATTACH** a \$20 non-refundable application fee. Make check payable to: **COMMERCE AND CONSUMER AFFAIRS**. (check must be in U.S. dollars and be from a U.S. financial institution.)

NOTE: *One of the numerous legal requirements that you must meet in order for your new registration to be issued is the payment of fees as set forth in this section. You may be sent a registration certificate before the check you sent us for your required fees clears your bank. If your check is returned to us unpaid, you will have failed to pay the required registration fee and your registration will not be valid, and you may not do business under that registration. Also, a \$25 service fee will be charged for checks which are returned by the bank.*

TRADE NAME If applicant will be using a trade name that was not previously submitted with the travel agency registration, **ATTACH** a current "filed-stamped" copy of the "Application for Registration of Trade Name" approved and issued by the Business Registration Division (BREG). If application is submitted without the trade name registration, registration will be issued without the trade name.

BRANCH OFFICE All charter tour operator branch offices must be registered prior to their engaging in any charter tour services.

- If a branch office deposits consumer funds in the same charter tour client trust account as the principal office, then the branch office does not have to obtain its own charter tour operator registration.
- If the branch office does not deposit consumer funds into the same charter tour client trust account as the principal office, then the branch office will have to obtain its own charter tour operator registration.

CLIENT TRUST ACCOUNT All charter tour operators are required to submit evidence of establishment of a charter tour client trust account with a federally insured financial institution located in Hawaii. Applicants must submit a letter or bank imprinted check or deposit slip from the financial institution with the following required information:

- Name and address of the financial institution;
- Name on the account (must be identical to the name on charter tour operator registration application);
- "Charter Tour Client Trust Account" designation; and
- Account number.

A REGISTRATION WILL NOT BE ISSUED AND WILL BE WITHHELD OR RETURNED IF AN APPLICANT FAILS TO PROVIDE THE INFORMATION IN SUCH FORM AND SUBSTANCE.

NOTE: If you will be operating as a Travel Agency and a Charter Tour Operator, you must establish and maintain a separate Client Trust Account for each.

EVIDENCE OF BOND OR LETTER OF CREDIT Complete the "Bond - Charter Tour Operator" form (TA-12), signed and notarized or a letter from a surety or federally-insured lending institution authorized to do business in the State, naming the "Director of Commerce and Consumer Affairs" as "Obligee".

(CONTINUED ON PAGE 4)

**SUBMITTING
REGISTRATION**

Mail all required items to:

Deliver to office location at:

Travel Agency Program
DCCA, PVL Licensing Branch
P.O. Box 3469
Honolulu, HI 96801

OR

335 Merchant Street, Room 301
Honolulu, HI 96813
Phone: (808) 586-3000

If for any reason you are denied the registration you are applying for, you may be entitled to a hearing as provided by Title 16, Chapter 201, Hawaii Administrative Rules, and/or Chapter 91, Hawaii Revised Statutes. Your written request for a hearing must be directed to the agency that denied your application, and must be made within 60 days of notification that your application for a registration has been denied.

**BIENNIAL
RENEWAL**

All registrations, regardless of issuance date, **expire on December 31 of each ODD-NUMBERED year** and are subject to renewal on or before the expiration date. Charter tour operators will be renewed with your travel agency renewal.

LAWS/RULES

To obtain a copy of the laws, Chapter 468L, HRS, and rules, Chapter 116, HAR, send a written request to our address above.

The laws and rules are also available on our website at: cca.hawaii.gov/pvl. Click on "Travel Agency".

**RELEASE OF
INFORMATION**

If an agency or individual is assisting you with the licensure process, you must provide us with authorization to release any information to this third party. If you wish to do so, please complete, sign, and date the section RELEASE OF INFORMATION TO THIRD PARTY on the application form.

**ABANDONMENT
OF APPLICATION**

Pursuant to HRS section 436B-9, your application shall be considered abandoned and shall be destroyed if you fail to provide evidence of continued efforts to complete the licensing process for two consecutive years. The failure to provide evidence of continued efforts includes but is not limited to: (1) failure to submit any required information and documents requested by the licensing authority within two consecutive years from the last date the documents and information were requested; or (2) failure to complete an examination requirement within two consecutive years from the date your application was approved; or (3) failure to provide the licensing authority with any written communication during two consecutive years indicating that you are attempting to complete the licensing process. If an application is deemed to be abandoned, the applicant shall be required to reapply for licensure and comply with the licensing requirements in effect at the time of the reapplication.

APPLICATION FOR REGISTRATION - CHARTER TOUR OPERATOR

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Read the "**INFORMATION & INSTRUCTIONS**" before completing this form.

Check type of business: <input type="checkbox"/> Sole Owner <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> LLP		FOR OFFICE USE ONLY	APPROVED: <input type="checkbox"/>	Initials/Date:
Name of Applicant (Sole Owner: First-Middle-Last; or give Name of Corporation, Partnership, LLC or LLP):			Date Registered as Charter Tour Operator:	Reg. No.: TAR -
Trade Name, if any: (<u>Attach</u> current trade name registration)			Social Security No.: (Sole Owner)	
Business Address:			Business Phone No.:	
Mailing Address: (ONLY if different from Business Address)		Check one box only: <input type="checkbox"/> Main Office <input type="checkbox"/> Branch Office		
Travel Agency Reg. No.: TAR -	Check the Number of Tours Planning to Operate: <input type="checkbox"/> 6 or less <input type="checkbox"/> 7 - 15 <input type="checkbox"/> 16 or more			

Charter Tour Client Trust Account established at:

Financial Institution: _____ Address: _____ Client Trust Account No.: _____	Check evidence of Client Trust Account you are submitting: <input type="radio"/> Original bank letter <input type="radio"/> Copy of check
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AND

Bond - Name & Address of surety or federally-insured lending institution authorized to do business in this state: (Attach completed Bond Form - "TA-12").

Name & Address: _____ Bond No.: _____

OR

Irrevocable Letter of Credit - Name & Address of surety or federally-insured lending institution authorized to do business in this state: (Attach Irrevocable Letter of Credit).

Name & Address: _____

(CONTINUED ON PAGE 2)

Print Applicant Name: _____

Date: _____

Affidavit of Applicant:

I certify that the statements, answers and representations made in this application and documents attached are true and correct. I understand that any misrepresentation is grounds for refusal or subsequent revocation of my registration and is a misdemeanor (Section 710-1017, Section 436B-19, and Section 468L-2.6, Hawaii Revised Statutes). I further certify that I have read, understand and will abide by the provisions of Hawaii Revised Statutes, Chapter 468L and Hawaii Administrative Rules, Chapter 116.

Signature of Applicant

Date

Title of Applicant

RELEASE OF INFORMATION TO THIRD PARTY:

To assist me in the licensing process, I hereby authorize the Department of Commerce and Consumer Affairs staff to release any and all information regarding my application, including but not limited to application status, to the following third party:

Print name of individual who is assisting you (third party): _____

Signature of Applicant

Date