A BILL FOR AN ACT

RELATING TO CHAPTER 480, HAWAII REVISED STATUTES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 480-2, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "\$480-2 Unfair competition, practices, declared unlawful.
- 4 (a) Unfair methods of competition and unfair or deceptive acts
- 5 or practices in the conduct of any trade or commerce are
- 6 unlawful.
- 7 (b) In construing this section, the courts and the office
- 8 of consumer protection shall give due consideration to the
- 9 rules, regulations, and decisions of the Federal Trade
- 10 Commission and the federal courts interpreting section 5(a)(1)
- 11 as [from time to time] amended.
- 12 (c) No showing that the proceeding or suit would be in the
- 13 public interest [+], as these terms are interpreted under
- 14 section 5(b) of the Federal Trade Commission Act[+], is
- 15 necessary in any action brought under this section.
- (d) [No] Except as provided in subsection (f), no person
- 17 other than a consumer, the attorney general, or the director of

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- 1 the office of consumer protection may bring an action based upon
- 2 unfair or deceptive acts or practices declared unlawful by this
- 3 section.
- 4 (e) Any person may bring an action based on unfair methods
- 5 of competition declared unlawful by this section.
- **6** (f) The State or any of its political subdivisions or
- 7 governmental agencies may bring an action based on unfair
- 8 methods of competition and unfair or deceptive acts or practices
- 9 declared unlawful by this section."
- 10 SECTION 2. Section 480-14, Hawaii Revised Statutes, is
- 11 amended to read as follows:
- 12 "\$480-14 Suits by the State; amount of recovery. (a)
- 13 Whenever the State[, any county,] or any of its political
- 14 subdivisions or governmental agencies $[\tau]$ is injured, directly or
- 15 indirectly, in its business or property by reason of anything
- 16 forbidden or declared unlawful by this chapter, it may sue to
- 17 recover threefold the actual damages sustained by it [-
- 18 (b), whether direct or indirect. The attorney general may
- 19 bring an action on behalf of the State[, any county,] or any of
- 20 its political subdivisions or governmental agencies to recover
- 21 the damages provided for by this section, or by any comparable
- 22 provisions of federal law.

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         [(c)] (b) The attorney general of the State shall be
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    authorized to bring a class action for indirect purchasers
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    asserting claims under this chapter. The attorney general or
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    the director of the office of consumer protection may bring a
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    class action on behalf of consumers based on unfair or deceptive
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    acts or practices declared unlawful by section 480-2. Actions
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    brought under this subsection shall be brought as parens patriae
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    on behalf of natural persons residing in the State, to secure
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    threefold damages for injuries sustained by such natural persons
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    to their property by reason of any violation of this chapter.
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         [\frac{d}{d}] (c) If judgment is in favor of the State [\frac{d}{d}]
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    county, or any of its political subdivisions or governmental
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    agencies under any provision of this chapter, the attorney
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    general or the director of the office of consumer protection
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    shall be awarded reasonable attorney's fees together with the
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    cost of suit; provided further that in any class action lawsuit
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    brought by the attorney general in behalf of indirect
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    purchasers, the attorney general shall in addition be awarded an
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    amount commensurate with expenses reasonably expected to be
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    expended in distribution of damages to the indirect purchasers."
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         SECTION 3. Section 480-21, Hawaii Revised Statutes, is
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    amended to read as follows:
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H.B. NO. 5.D.:

1 "§480-21 Court and venue. (a) Any criminal action or 2 proceeding[, whether civil or criminal,] authorized by this 3 chapter shall be brought in any appropriate court in the circuit 4 in which the defendant resides, engages in business, or has an 5 agent [runless otherwise specifically provided herein]. 6 (b) Any civil action or proceeding authorized by this 7 chapter may be brought in any appropriate court." 8 SECTION 4. Statutory material to be repealed is bracketed

and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2075.

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Report Title:

Antitrust; Unfair Competition

Description:

Clarifies antitrust and unfair competition law with regard to who can sue in certain instances, including when having made indirect purchases. Effective July 1, 2075. (SD3)