A BILL FOR AN ACT

RELATING TO FRANCHISE INVESTMENT LAW.

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

- 1 SECTION 1. Chapter 482E, Hawaii Revised Statutes, is
- 2 amended by adding a new section to be appropriately designated
- 3 and to read as follows:
- 4 "§482E- Advertising campaigns; non-participation. (a)
- 5 If a franchisee does not participate in a specific advertising
- 6 campaign of the franchise in which a discount or a promotion is
- 7 offered, the franchisee shall disclose its non-participation at
- 8 its entrance or storefront with signage of a size sufficient to
- 9 be clearly visible to the general public.
- 10 (b) No franchisor may impose a restriction or condition
- 11 upon the franchisee, whether by the terms of the franchise
- 12 agreement or by other device or practice, in making the required
- 13 disclosure under subsection (a)."
- 14 SECTION 2. This Act does not affect rights and duties that
- 15 matured, penalties that were incurred, and proceedings that were
- 16 begun before its effective date.

- 1 SECTION 3. New statutory material is underscored.
- 2 SECTION 4. This Act shall take effect on July 1, 2112.

H.B. NO. H.D. 1

Report Title:

Franchisee; Advertising Campaigns; Non-participation

Description:

Requires franchisees to disclose their non-participation in advertising campaigns of the franchisor in which discounts or promotions are offered. Prohibit franchisors from limiting or restricting the disclosures. (HB1623 HD1)

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