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# A BILL FOR AN ACT

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RELATING TO CONSUMER PROTECTION.

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

1       SECTION 1. Chapter 480, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4       "§480-     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       (c) This section shall not apply to quick service  
15 restaurants with limited service where food is prepared or  
16 assembled on premises, purchased at a counter, kiosk, or window,



1 and intended for immediate on-premises consumption, carryout, or  
2 delivery."

3 SECTION 2. This Act does not affect rights and duties that  
4 matured, penalties that were incurred, and proceedings that were  
5 begun before its effective date.

6 SECTION 3. New statutory material is underscored.

7 SECTION 4. This Act shall take effect on July 1, 2050.



**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. Prohibits franchisors from limiting or restricting the disclosures. Exempts and defines "quick service restaurants." (SB3025 HD1)

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