STAND. COM. REP. NO. 981

Honolulu, Hawaii

MAR 17 ' 2021

RE: S.B. No. 562

S.D. 1 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred S.B. No. 562, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DECEPTIVE TRADE PRACTICES,"

begs leave to report as follows:

The purpose of this measure is to establish that charging shipping and delivery charges that exceed the actual cost to ship or deliver a commodity to a consumer in Hawaii constitutes an unfair and deceptive practice.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from the Retail Merchants of Hawaii and Hawaii Food Industry Association.

Your Committee finds that many businesses offer free or reduced rate shipping to consumers in the United States. However, Hawaii residents are often unable to claim these offers and are sometimes forced to pay an arbitrary shipping cost that does not correlate with the actual cost of shipping. This measure ensures that Hawaii consumers are protected from shipping and delivery charges that exceed the actual cost to ship or deliver a commodity to the State.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 562, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 562, S.D. 1, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Economic Development,

SEAN QUINLAN, Chair

State of Hawaii



Record of Votes of the Committee on Economic Development

Bill/Resolution No.: Con SB 562 SD1 E	mmittee Referral:	Date	03-12-2]
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. QUINLAN, Sean (C)				V
	SHIP REPRESENTED			HE ST BEET MA
2. HOLT, Daniel (VC)				
3. BELATTI, Della Au				V
4. KOBAYASHI, Dale T.	V			
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5. ONISHI, Richard H.K.				EF DESKAL B
6. SAYAMA, Jackson D.	V			
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7. TAKAYAMA, Gregg	V			
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8. OKIMOTO, Val		· V		
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TOTAL (8)	5	1		2
The recommendation is:	n is:			
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				