STAND. COM. REP. NO.



Honolulu, Hawaii

, 2021 MAR 25

RE: S.B. No. 562

> S.D. 1 H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 562, S.D. 1, H.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 Hawaii Food Industry Association and Retail Merchants of Hawaii. Your Committee received comments on this measure from the Chamber of Commerce Hawaii and Matson Navigation Company, Inc.

Your Committee finds that Hawaii consumers are often unfairly treated by online merchants' imposition of shipping costs. of these retailers impose an arbitrary shipping cost to Hawaii residents that does not correlate with their actual cost of shipping. This measure will ensure that Hawaii consumers are not unfairly assessed arbitrary shipping charges by requiring

merchants to apply the actual shipping cost, which will facilitate transparency in consumer transactions.

Your Committee has amended this measure by changing the effective date to January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 562, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 562, S.D. 1, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

AARON LING JOHANSON, Chair

State of Hawaii House of Representatives The Thirty-first Legislature

HSUR 1427

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 562 SD HD	Committee Referral: ECD, CPC, FIN		Date: 3 23 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)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)	V	The Man		
2. KITAGAWA, Lisa (VC)				BEN MORNIES
3. AQUINO, Henry J.C.	V			
4. HAR, Sharon E.	V		NEWS WHAT AND ADDRESS.	
医合体识别 国际公司 医在对多牙科自由监查				
5. HASHEM, Mark J.				
6. KONG, Sam Satoru	V			
7. MIZUNO, John M.		Time of the second second second		Will Sales for toward
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8. MORIKAWA, Dee				
9. ONISHI, Richard H.K.	V			
10. TARNAS, David A.		Charles Atlanta (Charles Co. S. A.		
美国政治 教育。				THE ANGENIES OF THE PERSON
11. MATSUMOTO, Lauren				
1 2 V				
TOTAL (11)	[1	0	0	0
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				