



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 10, 2023
Re: HB 853 RELATING TO BUSINESS ESTABLISHMENTS**

Good morning, Chair Holt, and members of the House Committee on Economic Development. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901 and is a statewide, not for profit trade organization committed to supporting the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, on-line sellers, local, national, and international retailers, chains, and everyone in between.

While we understand the want for HB 853 Relating to Business Establishments, we respectfully oppose it as it is currently written. This measure adds a new chapter to the HRS to establish a system of regulatory controls for shopping carts and similar devices to prevent unauthorized removal from business establishments; provide for prompt retrieval when lost, stolen, or abandoned; require business owners to take certain specified actions to deter, prevent, or mitigate the removal of these devices from their premises and to retrieve any removed devices; and to prevent the continued possession of unlawfully removed shopping carts and similar devices and the accumulation of these devices on publicly or privately owned property.

Retailers provide shopping carts as a convenience for their customers while they are shopping on property. Yet, Hawaii retailers experience continual losses from stolen shopping carts on a daily basis. And for some reason it has become “acceptable” for people to take shopping carts off property to go to the bus stop, to their condos, to recycling centers, or to be used as mobile homes by the residentially challenged. **These carts are NOT cheap to replace and the people removing the carts are in fact stealing the carts with no penalties or repercussions for them doing so. This has been a frustrating problem for many retailers.**

The mandates in this bill would be very costly to the not only the retailers but the customers as well as these costs would be passed on making goods more expensive like food, clothing, electronics, home goods and more where shopping carts are used.

Customers with large purchases like groceries or bulky items enjoy using the shopping carts to bring their products to their cars. **People have found ways to take out the carts with the poles on them from the stores by popping a wheely. The carts with the locking devices are very expensive for the carts and for the installation of the breaking mechanism that is in the parking lot.** Many times, it is not up to the retailer to have these devices installed but must get permission of the shopping center. Retailers do not own the parking lots. If they are approved the parking lot must be totally shutdown for the asphalt to be dug up, have cart breaking mechanism installed around the perimeter and have the asphalt replaced and striped. When the parking lot is closed retailers lose customers and revenue. We have also found that **the residentially challenged have found ways to disable the breaks on the shopping carts and take them off property.**

Many retailers – especially small businesses – do not have or cannot afford the type of company vehicles needed to retrieve the carts like a pickup truck or cargo type van. No one wants to use their personal vehicles to pick up the abandoned carts as many times they are not sanitary from use by the residentially challenged and recycled containers. Retailers are already experiencing difficulties in finding employees. We were aware of a couple of people who used to retrieve the carts from various communities, but once COVID came to the islands it is our understanding that they no longer do this type of service.

The penalties and fees place the entire burden on the retailers - who are the victims of the theft - for not keeping their carts on their premise and then wanting to fine them if they are unable to recover their stolen property within a short amount of time.

We question why are the real thieves not fined for removing shopping carts from store property or in possession of any shopping carts? We believe that if there were consequences for those who steal the shopping carts and that these penalties were enforced, we would see less stolen shopping carts around the community.

Retailers are one of the hardest hit industries due to the pandemic and cost to implement these mandates would hurt our retailers during a time when many are still struggling to remain open. Stores had to endure astronomical increases in shipping costs and in the price of goods from manufacturers and wholesalers. And last year with the unexpected increase in employee wages at the end of the year when the minimum wage was raised. Many retailers are still struggling to pay back the debt incurred during the pandemic. **Businesses cannot afford any more hardship as we are still seeing more and more retailers closing their doors forever.**

Policy makers should be focusing in on eliminating obstacles to business growth, job creation and economic stability and not adding additional costs that employers cannot afford.

We urge you to hold this measure. Mahalo again for this opportunity to testify.