## H.B. NO. <sup>2606</sup><sub>H.D. 1</sub>

### A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS.

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

SECTION 1. The legislature finds that fully transparent pricing--from the outset of a consumer's Hawaii transient accommodations booking journey--is paramount to enjoying a proper experience of aloha. Numerous hotel brands have already voluntarily implemented transparent pricing practices by displaying resort and other mandatory fees up front, rather than only before a booking's finalization.

8 The legislature further finds that consumers should have 9 access to the same pricing transparency, regardless of the type of transient accommodations or the channel of distribution. 10 The legislature also finds that the establishment of a single 11 12 standard for a mandatory display of fees across the tourism 13 ecosystem's entirety--from hotels, motels, and short-term rental 14 accommodations to online travel agencies, metasearch sites, and short-term rental platforms--will not only prevent consumers 15 16 from being misled but also ensure a level playing field across 17 the tourism industry.

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| 1  | Therefore, the purpose of this Act is to require transient       |
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| 2  | accommodations brokers and any other persons or entities to:     |
| 3  | (1) Offer, list, advertise, or display a transient               |
| 4  | accommodations rental rate that includes all resort              |
| 5  | fees required for the furnishing of transient                    |
| 6  | accommodations; and  |
| 7  | (2) Include all applicable taxes and fees imposed by a           |
| 8  | government on the stay in the total price to be paid             |
| 9  | before a consumer reserves the furnishing of transient           |
| 10 | accommodations.  |
| 11 | SECTION 2. Chapter 481B, Hawaii Revised Statutes, is             |
| 12 | amended by adding a new section to be appropriately designated   |
| 13 | and to read as follows:  |
| 14 | " <u>\$481B-</u> Transient accommodations; fee transparency.     |
| 15 | (a) No transient accommodations broker or any other person or    |
| 16 | entity shall offer, list, advertise, or display a transient      |
| 17 | accommodations rental rate that does not include all resort fees |
| 18 | required for the furnishing of transient accommodations.         |
| 19 | (b) Transient accommodations brokers and all other persons       |
| 20 | or entities shall include all applicable taxes and fees imposed  |

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| 1  | by a government on the stay in the total price to be paid before |
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| 2  | a consumer reserves the furnishing of transient accommodations.  |
| 3  | (c) Transient accommodations brokers and all other persons       |
| 4  | or entities that knew or should have known that they offered,    |
| 5  | listed, advertised, or displayed a transient accommodations      |
| 6  | rental rate in violation of this section shall be subject to a   |
| 7  | civil penalty not exceeding \$10,000 for each violation.         |
| 8  | (d) An action to enforce this section may be brought by          |
| 9  | the attorney general or any applicable county attorney or        |
| 10 | corporation counsel.   |
| 11 | (e) The duties and obligations imposed by this section           |
| 12 | shall:   |
| 13 | (1) Be in addition to any other duties or obligations            |
| 14 | imposed by law; and  |
| 15 | (2) Not be construed to relieve any person or entity from        |
| 16 | any other duties or obligations imposed by law.                  |
| 17 | (f) As used in this section:                                     |
| 18 | "Resort fee" has the same meaning as in section 237D-1.          |
| 19 | "Taxes and fees imposed by a government on the stay" means       |
| 20 | taxes levied under chapters 237 and 237D and any applicable      |
| 21 | transient accommodations taxes levied by a county.               |

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| 1  | "Transient accommodations" has the same meaning as in            |
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| 2  | section 237D-1.  |
| 3  | "Transient accommodations broker" has the same meaning as        |
| 4  | in section 237D-1.   |
| 5  | "Transient accommodations rental rate" means the rate,           |
| 6  | before the inclusion of taxes and fees imposed by a government   |
| 7  | on the stay, at which transient accommodations are to be         |
| 8  | furnished to a consumer."  |
| 9  | SECTION 3. If any provision of this Act, or the                  |
| 10 | application thereof to any person or circumstance, is held       |
| 11 | invalid, the invalidity does not affect other provisions or      |
| 12 | applications of the Act that can be given effect without the     |
| 13 | invalid provision or application, and to this end the provisions |
| 14 | of this Act are severable.                                       |
| 15 | SECTION 4. This Act does not affect rights and duties that       |
| 16 | matured, penalties that were incurred, and proceedings that were |
| 17 | begun before its effective date.                                 |
| 18 | SECTION 5. New statutory material is underscored.                |
| 19 | SECTION 6. This Act shall take effect on January 1, 3000.        |
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#### Report Title:

Transient Accommodations; Rental Rates; Transparency; Unfair Method of Competition; Unfair or Deceptive Acts; Penalties

#### Description:

Requires transient accommodations brokers and any other persons or entities to offer, list, advertise, or display a transient accommodations rental rate that includes all resort fees required for the furnishing of transient accommodations. Requires transient accommodations brokers and any other persons or entities to include all applicable taxes and fees imposed by a government on the stay in the total price to be paid before the consumer reserves the furnishing of transient accommodations. Establishes penalties. Effective 1/1/3000. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

