STAND. COM. REP. NO. 2312

Honolulu, Hawaii

FEB 1 4 2024

RE: S.B. No. 2239 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2239 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION, "

begs leave to report as follows:

The purpose and intent of this measure is to:

- Prohibit any person from advertising, displaying, or offering a price for a transient accommodation or resort time share vacation interest, plan, or unit that does not include all taxes and fees imposed by a government entity at the time of purchase;
- (2) Require a person to clearly and conspicuously display in each advertisement for a transient accommodation or resort time share vacation interest, plan, or unit a rate or price that includes all taxes and fees imposed by a government entity; and
- (3) Require any taxes and fees that are displayed as a percentage of the cost on a booking transaction to also be displayed as a dollar amount at the time of purchase.

Your Committee received testimony in opposition to this measure from the Chamber of Progress.



Your Committee received comments on this measure from the Hawai'i Tourism Authority.

Your Committee finds that booking agencies often do not include certain government-related fees and taxes in their advertised rates and prices. Further, because these fees and taxes are usually added as a surcharge after a consumer initiates a purchase, consumers are often left feeling misled after paying a higher price than they had originally anticipated. Therefore, this measure provides consumers with the ability to make better and more informed purchasing decisions before initiating a transaction, by prohibiting certain deceptive advertising practices and increasing transparency at the point of purchase.

Your Committee has amended this measure by:

- Inserting an effective date of July 1, 2040, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2239, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2239, S.D. 1, and be referred to your Committee on Judiciary.

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

JARRETT KEOHOKALOLE, Chair



The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee		Da	ite:	,
5B2239 (RA), JUL 2/2/24					24
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)					
FUKUNAGA, Carol (VC)					
MCKELVEY, Angus L.K.		V			
RICHARDS, III, Herbert M. "Ti	m"	V,			
AWA, Brenton					
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TOTAL		5			0
Recommendation:					
Chair's or Designee's Signature:					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Be	bution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only <u>one</u> measure per Record of Votes