

STAND. COM. REP. NO. 2994

Honolulu, Hawaii

MAR 01 2024

RE: S.B. No. 2239
S.D. 2

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

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2239, S.D. 1, 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:

- (1) 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 support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and one individual.



Your Committee received testimony in opposition to this measure from the Chamber of Progress, TechNet, and Expedia Group.

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

Your Committee finds that while government-related taxes and fees may be itemized during the purchase process, consumers have a right to make informed purchases regarding the total price to be paid before a transaction commences. Your Committee also finds that there is national support to reduce and eliminate mandatory fees that often hide the full price of a good or service and surprise fees that consumers learn about after purchase. This measure will enable consumers to make informed decisions and purchases by requiring advertisers to be transparent.

Your Committee has amended this measure by:

- (1) Removing resort time share vacation interests and plans from the required pricing and advertisement disclosures;
- (2) Specifying that the required pricing and advertisement disclosures apply to the rental and letting of transient accommodations;
- (3) Specifying that the required disclosure of taxes and fees imposed by a government entity applies to those taxes and fees charged to a renter or guest;
- (4) Amending section 1 to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2239, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2239, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



KARL RHOADS, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:* SB 2239 SD1	Committee Referral: CPN, JDC	Date: 02 28 24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
GABBARD, Mike (VC)				✓
ELEFANTE, Brandon J.C.	✓			
SAN BUENAVENTURA, Joy A.	✓			
AWA, Brenton	✓			
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

***Only one measure per Record of Votes**