

Honolulu, Hawaii

FEB 17 2023

RE: S.B. No. 158
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 158 entitled:

"A BILL FOR AN ACT RELATING TO DECEPTIVE TRADE PRACTICES,"

begs leave to report as follows:

The purpose and intent of this measure is to establish that charging shipping and delivery charges that exceed the actual cost charged to the seller 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 Retail Merchants of Hawaii.

Your Committee finds that Hawaii residents are often barred from claiming offers for free or reduced rate shipping, which are more commonly available to purchasers in other states. Many retailers also apply an arbitrary shipping cost to Hawaii residents, which does not correlate with the actual cost of shipping. Accordingly, this measure establishes that charging shipping and delivery charges that exceed the actual cost charged to the seller to ship or deliver a commodity to a consumer in the State shall constitute an unfair and deceptive practice.

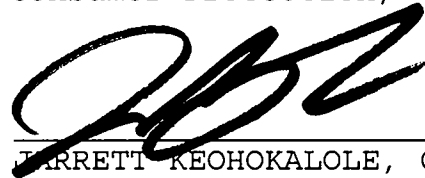


Your Committee notes that the term "commodity" as used in this measure is not defined and should be clarified. Therefore, your Committee has amended this measure by:

- (1) Replacing the term "commodity" as used in this measure with the phrase "consumer commodity or consumer package";
- (2) Inserting definitions of the terms "consumer commodity" and "consumer package"; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

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. 158, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 158, 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 Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB158	CPN, JDCW	2/9/23		
<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
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓	✓		
AWA, Brenton	✓			
TOTAL	4	1	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes