
A BILL FOR AN ACT

RELATING TO SERVICE DISRUPTIONS.

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

1 SECTION 1. The legislature finds that tourism is a major
2 contributor to the State's economy. Travelers come from around
3 the globe to experience Hawaii's natural beauty, culture, and
4 diversity.

5 The legislature further finds that travelers staying at
6 hotels are vulnerable to disruptions to accommodation services.
7 Visitors are often unfamiliar with local conditions and lack
8 alternative accommodations during their stay. The legislature
9 also finds that hotel guests are frequently unaware of pest
10 infestations; construction work; noisy demonstrations; work
11 stoppages, strikes, or lockouts; or the unavailability of
12 advertised amenities at the hotel when they make reservations.
13 Guests may then experience difficulty canceling their
14 reservations after discovering the disruptions upon arrival.
15 Ensuring that hotel guests are notified of any service
16 disruption, or the possibility of a service disruption, and are
17 permitted to terminate reservations without financial



1 consequences is essential to protect travelers from the effects
2 of service disruptions and to ensure the continued vitality of
3 the State's tourism and hotel sector.

4 Accordingly, the purpose of this Act is to:

- 5 (1) Require hotelkeepers to provide adequate notice of
- 6 strikes and lockouts to guests and third-party vendors
- 7 under certain conditions; and
- 8 (2) Allow for recovery of damages by injured parties.

9 SECTION 2. Chapter 486K, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 **"§486K- Strikes and lockouts; notice to third-party**
13 **vendors and guests required; damages recoverable.** (a) Within
14 twenty-four hours of:

- 15 (1) Receiving notice of a strike scheduled to occur for at
- 16 least one calendar day at or near the hotel, or the
- 17 occurrence of a strike for at least one calendar day
- 18 at or near the hotel, whichever is earlier; or
- 19 (2) Notifying a labor organization of a lockout scheduled
- 20 to occur for at least one calendar day at the hotel or



1 the occurrence of a lockout for at least one calendar
2 day at the hotel, whichever is earlier,
3 the hotelkeeper shall provide, in all modifiable mediums where
4 the hotel advertises or solicits customers, or through which
5 customers can book or reserve rooms or hotel services,
6 notification of the strike or lockout to each third-party vendor
7 and guest who is seeking or has entered into a reservation,
8 booking, or agreement with the keeper or a third-party vendor
9 for the use or occupancy of a room or hotel service. The keeper
10 shall provide notice before accepting or entering into any new
11 reservation, booking, or agreement for the use of a room or
12 hotel service; provided that if the circumstances of the strike
13 or lockout make timely notification impracticable, the keeper
14 shall provide notice as soon as practicable.

15 (b) The notification shall describe:

16 (1) The nature of the strike or lockout;

17 (2) The extent of the strike's or lockout's effect on
18 reservations, bookings, or agreements to use the room
19 or hotel services; and

20 (3) The right of a guest to cancel or terminate the
21 reservation, booking, or agreement for the use of the



1 room or hotel services with a refund, if applicable,
2 and without the imposition of any fee, penalty, or
3 other charge pursuant to subsections (c) and (d).

4 If the notification is included in a communication
5 containing other information, the notification shall be in a
6 significantly larger font and different color than the remainder
7 of the communication.

8 (c) A keeper shall not impose any fee, penalty, or other
9 charge or retain any deposit of a guest who cancels a
10 reservation, booking, or agreement with the keeper for the
11 future use of a room or hotel service if a strike or lockout is
12 likely to exist during the period of the reservation, booking,
13 or agreement for the use of a room or hotel service.

14 (d) At the onset of a strike or lockout, the keeper shall
15 immediately and clearly notify all guests and hotel service
16 users of the strike or lockout pursuant to subsections (a) and
17 (b). A guest may terminate any remaining period of a
18 reservation, booking, or agreement for the use of a room or
19 hotel service and the keeper shall not impose any fee, penalty,
20 or other charge for the termination or retain any deposit
21 related to any unused portion of the period of the reservation,



1 booking, or agreement following the onset of the strike or
2 lockout.

3 (e) Any keeper that violates or causes another person to
4 violate this section shall forfeit to the injured party three
5 times the amount of the sum charged in excess of what the keeper
6 is entitled to.

7 (f) For purposes of this section:

8 "Hotel service" means work performed in connection with the
9 operation of a hotel, including but not limited to the letting
10 of guest rooms or meeting rooms, or the provision of food or
11 beverage services, banquet services, or spa services.

12 "Lockout" means the refusal of an employer to furnish work
13 to employees as a result of a labor dispute between the employer
14 and its employee.

15 "Strike" means an employee's refusal, in concerted action
16 with others, to report for duty, or the employee's wilful
17 absence from the employee's position, or the employee's stoppage
18 of work, or the employee's abstinence in whole or in part from
19 the full, faithful, and proper performance of the duties of
20 employment, for the purpose of inducing, influencing, or
21 coercing a change in the conditions, compensation, rights,



1 privileges, or obligations of employment; and except in the case
2 of absences authorized by employers, includes the refusal,
3 absence, stoppage, or abstinence by any employee out of sympathy
4 or support for any other employee who is on strike or because of
5 the presence of any picket line maintained by any other
6 employee; provided that, nothing in this definition shall limit
7 or impair the right of any employee to express or communicate a
8 complaint or opinion on any matter related to the conditions of
9 employment.

10 "Third-party vendor" means a vendor with which a
11 hotelkeeper has an arrangement for third-party room reservations
12 or any other entity that has reserved or entered into an
13 agreement or booking for the use or occupancy of one or more
14 rooms in a hotel in furtherance of the business of reselling the
15 rooms to guests."

16 SECTION 3. This Act does not affect rights and duties that
17 matured, penalties that were incurred, and proceedings that were
18 begun before its effective date.

19 SECTION 4. This Act shall not be applied so as to impair
20 any contract existing as of the effective date of this Act in a



1 manner violative of either the Hawaii State Constitution or
2 article I, section 10, of the United States Constitution.

3 SECTION 5. New statutory material is underscored.

4 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Hotels; Hotel Services; Service Disruptions; Strikes; Lockouts;
Third-Party Vendor; Guests; Notice; Damages

Description:

Requires hotelkeepers to provide adequate notice of strikes and lockouts to guests and third-party vendors under certain conditions. Allows for recovery of damages by injured parties. Effective 7/1/2050. (SD1)

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