

Honolulu, Hawaii

FEB 28 2025

RE: S.B. No. 1035

S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and
Judiciary, to which was referred S.B. No. 1035, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit businesses from offering, displaying, or advertising the price of live-event tickets or short-term lodging without clearly and conspicuously disclosing the maximum total of all fees or charges; provided that government charges, shipping charges, and fees or charges for optional goods or services may be excluded;
- (2) Require businesses to disclose clearly and conspicuously certain information, including the final amount of payment, before the consumer consents to pay for the live-event ticket or short-term lodging; and
- (3) Establish that misrepresentation of any fees or charges in offers, displays, or advertisements for live-event tickets or short-term lodging by businesses constitutes an unfair or deceptive practice.



Your Committees received testimony in support of this measure from the American Hotel and Lodging Association and Hawai'i Hotel Alliance.

Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs and Travel Technology Association.

Your Committees find that hidden fees are a dishonest, unfair practice that mislead consumers and make comparison shopping more difficult. Deceptive fee practices are increasingly common and especially harmful in the context of the rising cost of living and financial struggles of many local families. This measure aligns the State with the industry-supported Federal Trade Commission's rules and protects consumers in the State by requiring certain fees to be disclosed up front and ensures consumers experience pricing transparency no matter the distribution channel.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1035, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 1035, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and
Judiciary,



KARL RHOADS, Chair



JARRELL KEOHOKALOLE, Chair



