## A BILL FOR AN ACT

RELATING TO RESTAURANTS.

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

1	SECTION 1. The legislature finds that unauthorized		
2	restaurant reservation listings by third-party restaurant		
3	reservation services are misleading to consumers and detrimental		
4	to restaurant businesses in the State. The legislature also		
5	finds that the State has an interest in preventing this		
6	substantial misconduct. This Act advances the State's interest		
7	by prohibiting third-parties from listing restaurant reservation		
8	services without the restaurant's knowledge or prior written		
9	consent. The legislature further finds that avoiding these		
10	harmful effects justify the restrictions imposed by this Act.		
11	Accordingly, the purpose of this Act is to:		
12	(1) Prohibit third-party restaurant reservation services		
13	from listing, advertising, promoting, or selling		
14	restaurant reservation services without first		
15	obtaining a written agreement from the applicable		
16	restaurant authorizing the action; and		
17	(2) Establish civil penalties.		

1 SECTION 2. Chapter 489J, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated 2 3 and to read as follows: 4 "§489J- Unauthorized restaurant reservations; 5 prohibited. (a) No third-party restaurant reservation service 6 shall list, advertise, promote, or sell reservations for a 7 restaurant through the third-party restaurant reservation 8 service's website, mobile application, or other digital platform 9 unless the applicable restaurant or a contractual designee of 10 the restaurant expressly authorized by the restaurant to 11 distribute reservations to a third party agrees in writing for 12 the third-party restaurant reservation service to list, 13 advertise, promote, or sell reservations for that restaurant. 14 (b) No agreement executed pursuant to subsection (a) shall 15 include a provision, clause, or covenant requiring the 16 restaurant to indemnify the third-party restaurant reservation service, any independent contractor acting on behalf of the 17 18 third-party restaurant reservation service, or any registered 19 agent of the third-party restaurant reservation service for any 20 harm arising from an act or omission initiated by the thirdparty restaurant reservation service; provided that any 21

1	provision	, clause, or covenant in violation of this subsection	
2	shall be	held invalid.	
3	(c)	Any person who is charged a fee or price by or through	
4	a third-p	arty restaurant reservation service for a reservation	
5	that is 1	isted, advertised, promoted, or sold in violation of	
6	this section; or any restaurant for which a third-party		
7	restauran	t reservation service has listed, advertised, promoted,	
8	or sold a	reservation in violation of this section may bring a	
9	civil act	ion in any court of competent jurisdiction for the	
10	following	<u>:</u>	
11	(1)	Injunctive relief to restrain or enjoin any activity	
12	. 1	in violation of this section;	
13	(2)	Actual damages; provided that the actual damages shall	
14		not exceed the total fees collected by the third-party	
15		restaurant reservation service for the subject	
16		violation; and	
17	(3)	Attorneys' fees and costs and any other remedies that	
18		the court deems appropriate.	
19	(d)	Any action alleging a violation of this section shall	
20	be brough	t within one year of the occurrence of the acts alleged	
21	to have violated this section.		

1 (e) For the purposes of this section: "Restaurant" means a food establishment in which food is 2 3 provided free of charge or sold to consumers for consumption on 4 or off the premises. "Restaurant" includes dine-in 5 establishments, pushcarts, food stands, and vehicles. "Third-party restaurant reservation service" means any 6 7 website, mobile application, or other digital platform that: 8 (1) Offers or arranges for reserving on-premises service 9 for a customer at a restaurant; and 10 Is owned and operated by an entity other than the (2) entity that owns the applicable restaurant." 11 12 SECTION 3. This Act does not affect rights and duties that 13 matured, penalties that were incurred, and proceedings that were 14 begun before its effective date. 15 SECTION 4. This Act shall not be applied so as to impair 16 any contracts existing as of the effective date of this Act in a 17 manner violative of the Contract Clause under article I, 18 section 10, of the United States Constitution or the Hawaii 19 State Constitution.

SECTION 5. New statutory material is underscored.

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

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## Report Title:

Restaurants; Reservations; Third-Party Restaurant Reservation Services; Unauthorized; Prohibition; Penalties

## Description:

Prohibits third-party restaurant reservation services from listing, advertising, promoting, or selling restaurant reservations without first obtaining a written agreement from the applicable restaurant authorizing the action. Establishes civil penalties. Effective 7/1/2050. (SD2)

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