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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Consumer Protection & Commerce
Thursday, February 12, 2026
2 p.m.
Via Videoconference**

**On the following measure:
H.B. 2614, RELATING TO DECEPTIVE PRACTICES**

Chair Matayoshi and Members of the Committee:

My name is Emma Olsen, and I am an Enforcement Attorney for the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department is in strong support of this measure.

The purpose of this bill is to require merchants that sell cosmetics to accept returns of new or unopened goods within specified timeframes. The measure also requires merchants that receive three or more warning letters from our office for failure to post required signage to display standardized return and refund policy signs provided by our office.

Currently, HRS section 481B-5.5 requires merchants to post a conspicuous sign informing purchasers of any return or refund policy. However, some merchants selling cosmetics operate under the belief that visitors are unfamiliar with these requirements and unlikely to pursue legal remedies for violations.

Since 2020, we have received over 120 consumer complaints regarding sales transactions by cosmetics retail merchants. Complaints about high-pressure sales tactics reveal that some businesses refuse to accept returns of unopened goods. High-pressure sales tactics reported include preying on consumers' insecurities and making the customer feel that they cannot leave until they pay for a product. Some consumers agree to pay thousands, and in some cases, tens of thousands of dollars, for cosmetic products such as skin care and red-light therapy machines. Consumers have complained about discovering only after purchases that returns are not permitted, resulting in significant financial harm. The combined amount of the sales involved in over 120 consumer complaints is roughly \$1.3 million. The incidents reflected in these complaints underscore the need for stronger and more enforceable consumer protection measures.

Requiring merchants that sell cosmetics to accept returns of unopened goods within a specified time period will deter them from engaging in high-pressure tactics. When consumers have clearly enforceable rights to return unopened products, businesses will have to stand by their products and accept returns when the sale is the result of unwanted coercion. Many businesses selling cosmetics already agree that accepting returns of unopened products is good business. The select few that do not accept returns may harm individual consumers and tarnish the reputation of Hawaii as a consumer –friendly destination.

Many of these issues are currently being litigated in a private class action filed in 2022 in the First Circuit Court, in the State of Hawaii, Incrovato, et al. v. Mazal Group, LLC, et al. (1CCV-22-0000387).

By clarifying merchants' obligations and strengthening compliance mechanisms, this measure will provide greater transparency, accountability, and fairness in cosmetic sales and improve Hawaii's reputation as a consumer-friendly destination. It will also help deter repeat offenders and provide a clear legal basis to pursue enforcement actions.

We respectfully request that this Committee pass this measure and advance these important consumer protections.

Thank you for the opportunity to testify on this bill.