

ACT 49

S.B. NO. 1205

A Bill for an Act Relating to Refunds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 481B-5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Any person engaged in the business of offering goods for sale at retail who accepts the return of goods for refund, which goods were paid for at the time of purchase by cash, check, credit card, or by charging the purchase price to a credit account administered by the person making the sale, shall refund the full amount of the payment, including any ancillary charges or taxes incident to the purchase returned, in the following manner:

- (1) If payment was made in cash, in cash at the time of the return of goods;
- (2) If payment was made by check, in cash at the time of the return of goods; provided that if the check has not cleared the bank on which it is drawn, the refund may be delayed until the check has cleared;
- (3) If payment was made by credit card, by credit to the purchaser’s credit card account; provided that the seller shall initiate the submission of the charge card credit memo or other appropriate documentation to the seller’s financial institution within five banking business days after the return of the goods; or
- (4) If payment was made by charging a credit account administered by the person making the sale, by credit to the purchaser’s credit account[;] initiated at the time of the return of the goods;

provided that before making the refund, the person accepting the return of goods

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may require proof of purchase at the person's place of business by sales slips, receipts, or other evidence of purchase of the goods returned.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 26, 1991.)