ACT 83

H.B. NO. 2493

A Bill for an Act Relating to Unfair and Deceptive Practices.

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

SECTION 1. Chapter 481B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

- **"§481B-** Gift certificates. (a) Any restaurant or person engaged in the business of offering services or goods for sale at retail may allow customers to purchase gift certificates; provided that the certificate issuer shall honor the certificate for a period of at least one year from the date of issuance. If a certificate recipient is unable to redeem the certificate within the one-year period, the certificate issuer shall extend the life of the certificate for one additional year.
- (b) A certificate issuer shall include the following information on the face of any gift certificate that has an expiration date:
 - (1) The expiration date of the certificate, which shall be at least one year from the date the certificate was issued; and
 - (2) That in the event the recipient does not redeem the certificate within the one-year period, the issuer shall extend the life of the certificate for one additional year.
- (c) Any violation of subsection (a) or (b) shall constitute an unfair method of competition and an unfair or deceptive act or practice in the conduct of any trade or commerce under section 480-2.
 - (d) As used in this section, unless the context requires otherwise:
- "Certificate issuer" or "issuer" means a restaurant or a person engaged in the business of offering services or goods for sale at retail who sells gift certificates to customers.

"Certificate recipient" or "recipient" means the person for whom the gift certificate is intended.

"Gift certificate" or "certificate" means a certificate for which the certificate issuer has received payment for the full face value of the certificate. The certificate shall be valid for purchases of goods and services offered for sale by the certificate issuer unless expressly excluded."

SECTION 2. New statutory material is underscored.¹

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SECTION 3. This Act shall take effect upon its approval. (Approved May 27, 1992.)

Note

1. Edited pursuant to HRS §23G-16.5.