

A Bill for an Act Relating to Disaster Relief and Rehabilitation.

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

SECTION 1. Section 209-1, Hawaii Revised Statutes, is amended to read as follows:

“§209-1 Definitions. As used in this chapter:

“Board” means the board of land and natural resources[;].

“Commodity” means any good or service necessary for the health, safety, and welfare of the people of Hawaii; provided that this term shall include, but not be limited to:

- (1) Materials;
- (2) Merchandise;
- (3) Supplies;
- (4) Equipment;
- (5) Resources; and
- (6) Other articles of commerce that shall include, without limitation, the following:
 - (A) Food;
 - (B) Water;
 - (C) Ice;
 - (D) Chemicals;
 - (E) Petroleum products;
 - (F) Construction materials; or
 - (G) Residential dwellings.

“Coordinator” means the rehabilitation coordinator provided for in section 209-4[;].

“Director” means the director of business, economic development, and tourism[;].

“Rehabilitation area” means any area of the State struck by a state disaster and declared to be in need of rehabilitation by the governor pursuant to section 209-2[;].

“Residential dwelling unit” means any single or multifamily residence where the occupants pay rent to an owner or landlord, for the right to occupy and live on the property.

“Severe weather warning” means the issuance by the National Weather Service of a public notification that a dangerous weather condition exists that could impact the State, or any portion of it, within a specified period of time. This term includes but is not limited to, warnings of coastal inundation (high surf), flash flooding, tsunami, or hurricane.

“Small Business Administration” means the Small Business Administration of the United States[; and].

“State disaster” means any unfortunate, sudden, and extraordinary occurrence declared by the governor pursuant to section 209-2 to have caused losses and suffering of such character and magnitude as to require and justify rehabilitative assistance from the State.”

SECTION 2. Section 209-5, Hawaii Revised Statutes, is amended to read as follows:

“§209-5 Duties of coordinator. The rehabilitation coordinator shall:

- (1) Provide for the official contact between the State and persons affected by the state disaster;
- (2) Make available to [these] persons affected by the state disaster information on all state rehabilitation programs;
- (3) Aid all persons affected by the state disaster in securing assistance available under this chapter;
- (4) Inform [these] persons affected by the state disaster of assistance available from sources other than the State, and assist the victims in obtaining any assistance;
- (5) Keep [a list] lists of [these] persons affected by the state disaster, [posting thereon] all assistance received by the victims from the State and, to the extent that the information is available, assistance from other sources;
- (6) Advise the governor as to the administration and effectiveness of the various programs;
- (7) Establish a temporary office on the island affected by the state disaster if necessary, and where more than one island is affected, establish such offices as the governor may direct; and
- (8) File an annual report with the governor and the legislature describing the organization, activities, expenditures, and assistance granted pursuant to this chapter and making recommendations to increase the effectiveness of this chapter at least twenty days before the convening of the regular session of the legislature.”

SECTION 3. Section 209-9, Hawaii Revised Statutes, is amended to read as follows:

“[§209-9] Mark-up freeze; authorized by governor.] Rental or sale of essential commodities during a state disaster; prohibition against price increases. (a) Whenever the governor declares a state disaster for the entire State or any portion thereof, [the governor, pursuant to a proclamation issued under section 209-2, may prohibit any increase on the mark-up on the sale of any commodity deemed to be necessary for the health, safety, and welfare of the people in the community. Any commodity may be specified in the proclamation, and may include, but is not limited to, food products, fuel products, clothing, and housewares.] or when the State, or any portion thereof, is the subject of a severe weather warning:

- (1) There shall be prohibited any increase in the selling price of any commodity, whether at the retail or wholesale level, in the area that is the subject of the disaster declaration or the severe weather warning;
and
- (2) No landlord shall terminate any tenancy for a residential dwelling unit in the area that is the subject of a disaster declaration or a severe weather warning, except for a breach of a material term of a rental agreement or lease, or if the unit is deemed to be structurally unsafe.

(b) [The mark-up for commodities for which increases are prohibited shall be not more than the normal mark-up at that outlet seventy-two hours before the disaster was proclaimed.

(c) “Mark-up” means the percentage by which the retail selling price of a commodity exceeds its cost to the seller.] Notwithstanding this section, any additional operating expenses incurred by the seller or landlord because of the state disaster, and which can be documented, may be passed on to the consumer. In the case of a residential dwelling unit, if rent increases are contained in a written instrument which was signed by the tenant prior to the disaster declaration or

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severe weather warning, the increases may take place pursuant to the written instrument.

(c) The prohibitions under subsection (a) shall remain in effect until twenty four hours after the severe weather warning is canceled by the National Weather Service; or in the event of a disaster declaration, until the declaration is altered, amended, revised, or revoked by the governor.

(d) In any action against a merchant, landlord, or other business for violation of the price limitations in this section, the defendant shall be deemed not to have violated this section if the defendant proves all of the following:

- (1) The violation of the price limitation was unintentional;
- (2) The defendant voluntarily rolled back prices to the appropriate level upon discovering that this section was or may have been violated; and
- (3) The defendant has instituted a restitution program for all consumers who may have paid excessive prices.

[(d)] (e) Any [person, firm, company, association, or corporation violating this provision shall be fined a sum of not less than \$50 nor more than \$1,000 for each violation, which sum shall be collected in a civil action brought by the director of the office of consumer protection on behalf of the State.] violation of this section shall constitute unfair methods of competition and unfair and deceptive acts or practices in the conduct of any trade of commerce under section 480-2 and shall be subject to a civil penalty as provided in section 480-3.1. Each item sold at a price [which] that is prohibited by this section shall constitute a separate violation."

SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 30, 1993.)