

ACT 77

S.B. NO. 102

A Bill for an Act Relating to Restaurants.

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

SECTION 1. The legislature finds that unauthorized restaurant reservation listings by third-party restaurant reservation services are misleading to consumers and detrimental to restaurant businesses in the State. The legislature also finds that the State has an interest in preventing this substantial misconduct. This Act advances the State's interest by prohibiting third parties from listing restaurant reservation services without the restaurant's knowledge or prior written consent. The legislature further finds that avoiding these harmful effects justifies the restrictions imposed by this Act.

Accordingly, the purpose of this Act is to:

- (1) Prohibit third-party restaurant reservation services from advertising, listing, promoting, facilitating, enabling, or selling restaurant reservation services without first obtaining a written agreement from the applicable restaurant authorizing the action; and
- (2) Establish a private cause of action for civil remedies.

SECTION 2. Chapter 489J, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§489J- Unauthorized restaurant reservations; prohibited. (a) No third-party restaurant reservation service shall advertise, list, promote, facilitate, enable, or sell reservations for a restaurant through the third-party restaurant reservation service's website, mobile application, or other digital platform unless the restaurant, or a contractual designee of the restaurant expressly authorized by the restaurant to distribute reservations to a third party, agrees in writing for the third-party restaurant reservation service to advertise, list, promote, facilitate, enable, or sell reservations for that restaurant.

(b) Any person who is charged a fee or price by or through a third-party restaurant reservation service for a reservation that is advertised, listed, promoted, facilitated, enabled, or sold in violation of this section; any restaurant for which a third-party restaurant reservation service has advertised, listed, promoted, facilitated, enabled, or sold a reservation in violation of this section; or any restaurant's contractual designee who obtained reservation distribution rights directly from the restaurant, with respect to a reservation advertised, listed, promoted, facilitated, enabled, or sold in violation of this section, may bring a civil action in any court of competent jurisdiction for the following:

- (1) Injunctive relief to restrain or enjoin any activity in violation of this section;
- (2) Actual damages; provided that the actual damages shall not exceed the total fees collected by the third-party restaurant reservation service for the subject violation; and
- (3) Attorneys' fees and costs and any other remedies that the court deems appropriate.

(c) Any action alleging a violation of this section shall be brought within one year of the occurrence of the acts alleged to have violated this section.

(d) For the purposes of this section:

“Restaurant” means a food establishment in which food is provided free of charge or sold to consumers for consumption on or off the premises. “Restaurant” includes dine-in establishments, pushcarts, food stands, and vehicles.

“Third-party restaurant reservation service” means any website, mobile application, or other digital platform that:

- (1) Offers or arranges for reserving on-premises service for a customer at a restaurant; and
- (2) Is owned and operated by an entity other than the entity that owns the applicable restaurant.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

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

(Approved May 19, 2025.)

Note

1. Edited pursuant to HRS §23G-16.5.