

STAND. COM. REP. NO. **2727**

Honolulu, Hawaii

MAR 03 2022

RE: S.B. No. 2329
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2329 entitled:

"A BILL FOR AN ACT RELATING TO DECEPTIVE TRADE PRACTICES,"

begs leave to report as follows:

The purpose and intent of this measure is to establish that charging shipping and delivery charges that exceed the actual cost to ship or deliver a commodity to a consumer in Hawaii constitutes an unfair and deceptive practice.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and one individual. Your Committee received testimony in opposition to this measure from the Retail Merchants of Hawaii. Your Committee received comments on this measure from Matson Navigation Company, Inc.

Your Committee finds that many Hawaii consumers are often treated unfairly compared to mainland consumers who more commonly benefit from free or reduced-rate shipping. Some consumers in the State are assessed arbitrary shipping surcharges or costs that do not correlate to the actual costs of shipping items to the consumer. This measure will require merchants to apply the actual shipping cost to facilitate transparency in consumer transactions and will help ensure that Hawaii consumers are not victims to arbitrary shipping costs or fees.

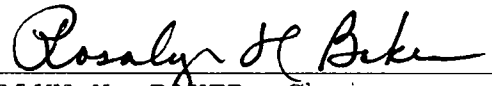


Your Committee has amended this measure by:

- (1) Clarifying that, if a seller imposes a separate charge for shipping or delivery to a consumer, that charge shall not exceed the actual cost charged to the seller to ship or deliver the commodity to a consumer in this State; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2329, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2329, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,




ROSALYN H. BAKER, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <i>SB 2329</i>	Committee Referral: <i>CPN</i>	Date: <i>02-16-2022</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
CHANG, Stanley (VC)	/			
DECOITE, Lynn	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.	/			
FEVELLA, Kurt	/			
TOTAL	7	—	—	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes