

Honolulu, Hawaii

FEB 18 2022

RE: S.B. No. 2518
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 Human Services, to which was referred S.B. No. 2518 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 identify gender-based pricing as a deceptive trade practice.

Your Committee received testimony in support of this measure from Ma'i Movement Hawai'i, AF3IRM Hawai'i, and thirteen individuals. Your Committee received testimony in opposition to this measure from Retail Merchants of Hawaii. Your Committee received comments on this measure from Common Cause Hawaii.

Your Committee finds that gender-based pricing is a subtle and invidious form of discrimination based on gender, where different prices are charged for goods or services based on the consumer's gender. Gender-based pricing can be evidenced in a wide range of goods and services for consumers of all ages, including toys, clothing, personal hygiene products, car purchases and repairs, mortgages, haircuts, tailoring, and dry cleaning. Your Committee further finds that most of the time, pricing for goods and services for female consumers are priced higher than those for male consumers, and although the price difference for each product may be minuscule, the effect of paying a higher price on goods and services over an entire lifetime is significant,



especially considering the fact that women in Hawaii earn roughly \$0.85 for every dollar men are paid, according to a recent study from the U.S. Bureau of Labor Statistics. This measure seeks to eliminate gender-based pricing in Hawaii by making it unlawful as a deceptive trade practice.

Your Committee notes the testimony of Retail Merchants of Hawaii, raising the concern that the base price of products, especially for personal care products, are set by manufacturers who are mostly on the mainland or in foreign countries, who ship their products to be sold in Hawaii. Therefore, your Committee believes that this measure should not be applied to price differences based upon labor, materials, tariffs, or any other gender-neutral reason, including when a retail establishment passes through to the consumer, a price that is set by a manufacturer, distributor, or other entity that is beyond the retailer's control.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that gender-based pricing by manufacturers who sell the goods they manufacture to any person in the State for a price they set constitutes an unlawful deceptive trade practice;
- (2) Amending section 1 to reflect its clarified purpose; and
- (3) Inserting an effective date of December 31, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2518, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2518, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.



Respectfully submitted on
behalf of the members of the
Committee on Human Services,



JOY A. SAN BUENAVENTURA, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB 2518	Committee Referral: HMS, CPN	Date: 2/17/2022
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The Committee is reconsidering its previous decision on this measure.
If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
IHARA, Jr., Les (VC)				✓
ACASIO, Laura	✓			
MISALUCHA, Bennette E.				✓
FEVELLA, Kurt	✓			
TOTAL	3	0	0	2

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature: *Jana Acasio*

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*Only one measure per Record of Votes