

STAND. COM. REP. NO. **2372**

Honolulu, Hawaii

FEB 14 2024

RE: S.B. No. 2239
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2239 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit any person from advertising, displaying, or offering a price for a transient accommodation or resort time share vacation interest, plan, or unit that does not include all taxes and fees imposed by a government entity at the time of purchase;
- (2) Require a person to clearly and conspicuously display in each advertisement for a transient accommodation or resort time share vacation interest, plan, or unit a rate or price that includes all taxes and fees imposed by a government entity; and
- (3) Require any taxes and fees that are displayed as a percentage of the cost on a booking transaction to also be displayed as a dollar amount at the time of purchase.

Your Committee received testimony in opposition to this measure from the Chamber of Progress.



Your Committee received comments on this measure from the Hawai'i Tourism Authority.

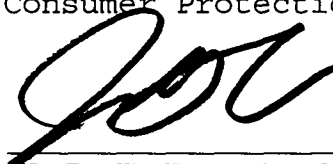
Your Committee finds that booking agencies often do not include certain government-related fees and taxes in their advertised rates and prices. Further, because these fees and taxes are usually added as a surcharge after a consumer initiates a purchase, consumers are often left feeling misled after paying a higher price than they had originally anticipated. Therefore, this measure provides consumers with the ability to make better and more informed purchasing decisions before initiating a transaction, by prohibiting certain deceptive advertising practices and increasing transparency at the point of purchase.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2040, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment 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. 2239, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2239, S.D. 1, and be referred to your Committee on Judiciary.

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



JARRETT KEOHOKALOLE, Chair



