

JAN 15 2025

A BILL FOR AN ACT

RELATING TO CONSUMER PROTECTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that booking agencies
2 often do not include government-related fees and taxes in their
3 advertised rates and prices. Because fees and taxes are usually
4 added as a surcharge after a consumer initiates a purchase,
5 consumers often are misled by advertised prices and find
6 themselves paying a higher price than they had originally
7 intended. While government-related taxes and fees may be
8 itemized during the purchase process, the legislature believes
9 that consumers have a right to make informed purchases regarding
10 the total price to be paid before a transaction commences.

11 The legislature notes that there is national support to
12 reduce and eliminate mandatory fees that often hide the full
13 price of a good or service and surprise fees that consumers
14 learn about after purchase. For example, the federal Junk Fee
15 Prevention Act, S. 916. 118th Cong. (2023) was introduced to
16 curb and eliminate excessive, hidden, and unnecessary fees that
17 are unexpectedly imposed on consumers, and California passed the



1 Consumers Legal Remedies Act, 2023, which, in part, would make
2 it unlawful to advertise, display, or offer a price for a good
3 or service that does not include all mandatory fees or charges
4 other than taxes or fees imposed by a government on the
5 transaction.

6 Accordingly, the purpose of this Act is to:

- 7 (1) Prohibit any person from advertising, displaying, or
8 offering a price for the rental or letting of a
9 transient accommodation or resort time share vacation
10 unit that does not include all taxes and fees on the
11 rent imposed by a government entity that the renter or
12 guest must pay;
- 13 (2) Require a person to clearly and conspicuously display
14 a price that includes all taxes and fees on the rent
15 imposed by a government entity that a renter or guest
16 must pay in each advertisement for the rental or
17 letting of a transient accommodation or resort time
18 share vacation unit; and
- 19 (3) Require any taxes and fees that are displayed as a
20 percentage of the cost on a covered booking



1 transaction to also be displayed as a dollar amount at
2 the time of purchase.

3 SECTION 2. Chapter 481B, Hawaii Revised Statutes, is
4 amended by adding a new section to part I to be appropriately
5 designated and to read as follows:

6 "§481B- Transient accommodations; booking transactions;
7 total price; disclosures; taxes; government-related fees. (a)

8 No person shall advertise, display, or offer a price for rental
9 or letting of a transient accommodation or resort time share
10 vacation unit that does not include all taxes and fees imposed
11 by a government entity to be charged to the renter or guest.

12 (b) A person shall clearly and conspicuously display a
13 price that includes all taxes and fees imposed by a government
14 entity and to be charged to the renter or guest in each
15 advertisement for rental or letting of a transient accommodation
16 or resort time share vacation unit, including online
17 advertisements.

18 (c) Any taxes and fees on a booking transaction that are
19 displayed as a percentage of the cost at the time of purchase
20 shall also be displayed as a dollar amount.

21 (d) For the purposes of this section:



1 "Booking transaction" means any transaction in which there
2 is a charge to a consumer by a person for rental or letting of
3 any transient accommodation or resort time share vacation unit.

4 "Government entity" has the same meaning as defined in
5 section 137-1.

6 "Resort time share vacation unit", and "transient
7 accommodations" have the same meanings as defined in section
8 237D-1."

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

12 SECTION 4. New statutory material is underscored.

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

14

INTRODUCED BY:

Karl Rhoad



Report Title:

Consumer Protection; Transient Accommodations; Booking Transactions; Disclosures; Taxes; Government-Related Fees; Unfair and Deceptive Practices

Description:

Prohibits any person from advertising, displaying, or offering a price for the rental or letting of a transient accommodation or resort time share vacation unit that does not include all taxes and fees imposed by a government entity that the renter or guest must pay. Requires a person to clearly and conspicuously display a rate or price that includes all taxes and fees imposed by a government entity that the renter or guest must pay in each advertisement for the rental or letting of a transient accommodation or resort time share vacation unit. Requires 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.

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