

ACT 10

H. B. 407.

**A Bill for an Act Amending Chapter 205A, Revised Laws of Hawaii 1955,
as Amended, Relating to the Regulation of the Conduct of Trade and
Commerce.**

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

SECTION 1. This Act is hereby declared to be an urgency measure

deemed necessary in the public interest within the meaning of section 11, Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

In the interest of protecting the consuming public, the legislature in 1965 enacted section 205A-1.1, Revised Laws of Hawaii 1955, as amended. This section, framed after section 5(a) (1) of the Federal Trade Commission Act, declares illegal all "unfair methods of competition or unfair or deceptive acts or practices in commerce."

The breadth of section 205A-1.1, Revised Laws of Hawaii 1955, as amended, encompasses a vast number of practices which take unfair advantage of the consumers' interest. This section makes certain practices unlawful, and provides for the injunctive relief in accordance with the provisions of section 205A-13, Revised Laws of Hawaii 1955, as amended. However, the injunctive relief that is afforded to the consumer has not been an adequate deterrent to those individuals who continually violate section 205A-1.1, Revised Laws of Hawaii 1955, as amended.

An amendment to provide for civil penalties would tend to deter such violators. It is in the public interest that such sanctions be provided as soon as possible.

SECTION 2. Chapter 205A, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding thereto the following new section immediately following section 205A-1.2, to read as follows:

"§ 205A-1.3 Civil Penalty. Any person, firm, company, association, or corporation violating any of the provisions of section 205A-1.1, Revised Laws of Hawaii 1955, as amended, shall be fined by a sum not less than \$500 nor more than \$2,500 for each violation, which sum shall be collected in a civil action brought by the attorney general on behalf of the State of Hawaii."

SECTION 3. Chapter 205A, Revised Laws of Hawaii 1955, as amended, is hereby amended by adding thereto the following new section immediately following section 205A-13, to read as follows:

"§ 205A-13.1. Penalty. Any person, firm, company, association or corporation violating an injunctive order to cease and desist from violating any provisions of this chapter shall be fined by a sum not less than \$500 nor more than \$2,500, which sum shall be collected in a civil action brought by the attorney general on behalf of the State of Hawaii. Each separate violation of any such order shall be a separate offense, except that in the case of a violation through continuing failure or neglect to obey a final order of the court, each day of continuance of such failure shall constitute a separate offense."

SECTION 4. This Act shall take effect upon its approval.

(Approved April 23, 1968.)