

A Bill for an Act Relating to Deceptive Sales Practices.

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

SECTION 1. Chapter 481B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“Sec. 481B- Refunds. (a) Any person engaged in the business of offering goods for sale at retail who accepts the return of goods, which goods were paid for at the time of purchase by cash, check, credit card, or by charging the purchase price to a credit account administered by the person making the sale, shall refund the full amount of the payment, including any ancillary charges or taxes incident to the purchase returned, in the following manner:

- (1) If payment was made in cash, in cash at the time of the return of goods;
- (2) If the payment was made by check, in cash at the time of the return of goods; provided that if the check has not cleared the bank on which it is drawn, the refund may be delayed until the check has cleared;
- (3) If payment was made by credit card, by credit to the purchaser's credit card account;
- (4) If the payment was made by charging a credit account administered by the person making the sale, by credit to the purchaser's credit account;

provided that before making the refund, the person accepting the return of goods may require proof of purchase at his place of business by sales slips, receipts, or other evidence of purchase of the goods returned.

(b) Any person engaged in the business of offering goods for sale at retail who accepts the return of goods but limits the period during which goods may be returned to less than sixty days after the date of purchase or delivery shall post conspicuous signs in his place of business bearing the words "No refunds after (insert number of days) days from date of (insert "purchase" or "delivery", as appropriate)", or words or phrases of similar import to inform customers of the limitation of the period during which the return of goods will be accepted. Such signs shall be posted in the selling area of the business in locations reasonably calculated to bring the signs to the attention of customers.

(c) Any person engaged in the business of offering goods for sale at retail who does not accept the return of goods shall post conspicuous signs in his place of business bearing the words, "All sales final", or "No refunds", or words or phrases of similar import to inform customers that no return of goods will be accepted. Such signs shall be posted in the selling area of the place of business in locations reasonably calculated to bring the signs to the attention of customers.

(d) Any violation of subsections (a), (b), or (c) shall constitute unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce under section 480-2.

(e) This section shall not apply to goods which are damaged after sale, of a type which are unsuitable for resale after any use, or which have been retained by the purchaser in excess of sixty days after purchase."

SECTION 2. New statutory material is underscored. In printing this Act, the revisor of statutes need not include the underscoring.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 16, 1975.)

*Edited accordingly.