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**ACT 234**

**S.B. NO. 2523-78**

**A Bill for an Act Relating to Hotels.**

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

SECTION 1. The visitor industry is the foundation of our economy. It is larger than military spending, sugar, and pineapple combined. There are 65,000 to 70,000 people directly or indirectly employed by the visitor industry. The industry is generally accepted as the greatest hope for providing new jobs.

If there is no growth in the visitor industry, it is estimated that unemployment would jump to 19 per cent before settling at around 13 per cent. It would take a 7 per cent growth rate to provide jobs needed by our population and to keep unemployment at less than 6 per cent. During the last 5 years, the industry has averaged 8.8 per cent with a high of 12.7 per cent and a low of 1.5 per cent growth.

However, future growth is not guaranteed. Tourism is a fragile industry. It can be shattered overnight and the pieces may not be put back together again. The industry is subject to economic changes, whims of the travel industry and travelers, appeals of competing visitor markets, degrees of visitor satisfaction, maintenance of the Aloha spirit, resident and employee attitudes, and the availability of energy.

It is therefore important that means are provided that will insure the maximum visitor satisfaction. The purpose of this Act is to achieve this desired result by adding a new chapter to the Hawaii Revised Statutes consisting of existing statutory provisions relating to the rights and liabilities of keepers of hotels and guests thereof and a new provision relating to hotel guests extending their stay beyond scheduled departures.

SECTION 2. Sections 507-6 to 507-12, Hawaii Revised Statutes, are repealed.

SECTION 3. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

## “CHAPTER HOTELS

**Sec. -1 Definitions.** As used in this chapter, the following terms shall have the following meanings:

- (1) “Guest” means a person who is registered at the hotel and to whom a bedroom is assigned. The term “guest” shall include not only the guest, but the members of the guest’s family who accompany the guest.
- (2) “Hotel” applies to any and all buildings or structures used by the keeper thereof for the accommodation of guests therein.
- (3) “Keeper” includes any person, firm, or corporation actually operating a hotel.
- (4) “Valuables” includes money, bank notes, bonds, precious stones, jewelry, ornaments, watches, securities, transportation tickets, photographic cameras, checks, drafts, and other negotiable instruments, business papers, documents, and other papers, and other articles of value.

**Sec. -2 Hotelkeepers lien on baggage, etc., of guests; summary ejection of delinquents.** All hotelkeepers shall have a lien on all baggage and other property in the possession of the hotel belonging to guests at the hotel, for the amount of their proper charges against guests for the hire of rooms or board or other services or accommodation in the hotel, and shall have the right, without the process of law, to retain the same until the amount of indebtedness is discharged. All parties indebted for rooms or board in the hotel may be summarily ejected by the keeper thereof from the premises upon the keeper giving to the parties so indebted a written notice of the amount of indebtedness and his demand for the same, unless the parties shall have entered into an agreement with the keeper for a mode and manner of payment for room or board other than that announced by notice in the hotel, the right of summary ejection to be without prejudice to the lien on the guest's baggage or other property.

**Sec. -3 Sale of detained baggage; notice; disposition of proceeds.** All baggage and property so held by the keeper of the hotel shall, after the expiration of three months from the date of the detention, be sold at public auction, after notice thereof published three times in a newspaper of general circulation in the county where the hotel is kept. The proceeds thereof shall be applied to the payment of the amount due and the expenses of the notice and sale. The balance, if any remaining, shall be paid over to the owner of the property or his representative. If the balance is not claimed by the owner within sixty days after sale, then the balance shall be paid over to the director of finance of the State and shall be kept by him in a special deposit for payment to the owner and shall be disposed of as provided in chapter 523.

**Sec. -4 Safe for valuables; limitation of liability for deposited valuables.** Whenever the keeper of any hotel provides a safe or vault in the office thereof, for the safekeeping of any money, jewels, bank notes, precious stones, transportation tickets, negotiable or valuable papers, or ornaments belonging to the guests of the hotel, and posts a notice stating the fact that a safe or vault is provided in which valuables may be deposited, in the room or rooms occupied by the guests in a conspicuous position, if any guest neglects to deliver valuables to the person in charge of the safe, the keeper of the hotel shall not be liable in any sum for any loss of valuables sustained by the guest by theft or otherwise. If the guest delivers valuables to the person in charge of the office for deposit in the safe, the keeper shall not be liable for any loss thereof sustained by the guest, by theft or otherwise, in any sum exceeding \$500; provided that the keeper's liability is limited to \$500 only if he gives a receipt for the valuables on a form which states, in type large enough to be clearly noticeable, that the keeper is not liable for any loss exceeding \$500 except by special agreement in writing in which the keeper agrees to accept liability for losses in excess of \$500. The keeper may accept liability for losses in excess of \$500 by special agreement in writing between a guest and the keeper or his duly authorized representative.

**Sec. -5 Hotelkeeper's liability for personal property.** No keeper of any hotel shall be liable in any sum to any guest of the hotel for the loss of wearing apparel, goods, merchandise, or other personal property not mentioned in section -4, unless it appears that the loss occurred through the fault or negligence

of the keeper. Nor shall any keeper be liable in any event in any sum for the loss of any article or articles of wearing apparel, cane, umbrella, satchel, valise, bag, box, bundle, or other chattel belonging to any guest of, or in, any hotel, and not within a room or rooms assigned to him, unless the same is specially intrusted to the care and custody of the keeper or his duly authorized agent, and if so specially intrusted with any such article belonging to the guest, the keeper shall not be liable for the loss of the same in any sum exceeding \$500 except that his liability may be in excess of \$500 by special agreement in writing with the keeper or his duly authorized representative.

**Sec. -6 Hotelkeeper's responsibility in case of fire, etc.** The keeper of any hotel shall only be liable to any guest of the hotel, for ordinary and reasonable care in the custody of money, jewels, bank notes, precious stones, transportation tickets, negotiable or valuable papers, ornaments, baggage, wearing apparel, or other chattels or property belonging to any guest, whether specially intrusted to the keeper or his agent, or deposited in the safe of the hotel, for any loss occasioned by fire or by any other cause or force, over which the proprietor had no control.

**Sec. -7 Posting copy of law; damages recoverable by guests.** The keeper of every hotel shall post in a conspicuous place in the office or public room and in every bedroom of the hotel a printed copy of sections -1 to -8 and a statement of charge or rate of charges by the day for lodging. No charge or sum shall be collected or received by any keeper for any service not actually rendered, or for any item not actually delivered or contracted for, or for any greater or other sum than he is entitled to by the general rules and regulations of the hotel. For any intentional violation of this or any provision herein contained, the offender shall forfeit to the injured party three times the amount of the sum charged in excess of what he is entitled to.

**Sec. -8 Extension of stay provision.** Any guest who intentionally continues to occupy an assigned bedroom beyond the scheduled departure without the prior written approval of the keeper, shall be deemed a trespasser.

**Sec. -9 Valuation of property.** Whenever the value of property is to be determined under sections -4 and -5, the following shall apply:

- (1) Value means the market value of the property.
- (2) Whether or not they have been issued or delivered, certain written instruments, not including those having a readily ascertained market value, shall be evaluated as follows:
  - (a) The value of an instrument constituting an evidence of debt, such as a check, traveler's check, draft, or promissory note, shall be deemed the amount due or collectible thereon or thereby, that figure ordinarily being the face amount of the indebtedness less any portion thereof which has been satisfied;
  - (b) The value of any other instrument that creates, releases, discharges, or otherwise affects any valuable legal right, privilege, or obligation shall be deemed the greatest amount of economic loss which the owner of the instrument might reasonably suffer by vir-

tue of the loss of the instrument.

- (3) When property has value but that value cannot be ascertained pursuant to the standards set forth above, the value shall be deemed to be an amount not exceeding \$50.

**Sec. -10 Registration required.** Every keeper covered by this chapter shall keep and maintain or cause to be maintained a register in which shall be inscribed the name of each and every guest renting or occupying a bedroom or apartment in such hotel. Such register shall be preserved for a period of not less than 6 months from the date of departure.

SECTION 4. Statutory material to be repealed is bracketed. In printing this Act, the revisor of statutes need not include the brackets or the bracketed material.\*

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

(Approved June 17, 1978.)

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\*Edited accordingly.