

**ACT 271**

**H.B. NO. 1028**

A Bill for an Act Relating to Authority of the Governor During Disaster.

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

SECTION 1. During a state disaster certain commodities necessary for the health, safety, and welfare of the people are in greater demand. If sellers of these commodities increase the prices of these items in order to increase their profit, they are profiting from the misfortune of others. It is the intent of the legislature to penalize those sellers who raise the prices of their goods solely for increased profit during a state disaster.

SECTION 2. Chapter 209, part I, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§209- Mark-up freeze; authorized by governor.** (a) Whenever the governor declares a state disaster for the entire State or any portion thereof, the governor, pursuant to a proclamation issued under section 209-2, may prohibit any increase on the mark-up on the sale of any commodity deemed to be necessary for the health, safety, and welfare of the people in the community. Any commodity may be specified in the proclamation, and may include, but is not limited to, food products, fuel products, clothing, and housewares.

(b) The mark-up for commodities for which increases are prohibited shall be not more than the normal mark-up at that outlet seventy-two hours before the disaster was proclaimed.

(c) “Mark-up” means the percentage by which the retail selling price of a commodity exceeds its cost to the seller. Notwithstanding this section, any additional operating expenses incurred by the seller because of the disaster, and which can be documented, may be passed on to the consumer.

(d) Any person, firm company, association, or corporation violating this provision shall be fined a sum of not less than \$50 nor more than \$1,000 for each violation, which sum shall be collected in a civil action brought by the director of the office of consumer protection on behalf of the State. Each item sold at a price which is prohibited by this section shall constitute a violation.”

SECTION 3. New statutory material is underscored.<sup>1</sup>

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

(Approved June 13, 1983.)

**Note**

1. Edited pursuant to HRS §23G-16.5.