

ACT 281

S.B. NO. 1276

A Bill for an Act Relating to Cybersquatting.

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

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

“PART . CYBERSQUATTING

§481B-A Definitions. As used in this part, unless the context otherwise requires:

“Claimant” means the person alleging a violation of this part.

“Domain name” means any alphanumeric designation that is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

“Mark” includes “trademarks”, “trade names”, and “service marks” as defined in 481A-2.

“Person” means an individual, corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, unincorporated association, two or more of any of the foregoing having a joint or common interest, or any other legal or commercial entity.

“Traffics in” refers to transactions that include, but are not limited to, sales, purchases, loans, pledges, licenses, exchanges of currency, or any other transfer for consideration or receipt in exchange for consideration.

§481B-B Cybersquatting and cyber piracy prohibited. (a) A person shall be liable in a civil action by the owner of any distinctive mark registered and used in Hawaii, without regard to the goods or services of the parties, if that person in bad faith: registers, traffics in, or uses a domain name that is identical or confusingly similar to that mark.

(b) Any person who in bad faith registers a domain name that consists of the name of another living person, or a name substantially and confusingly similar thereto, without that person’s consent, shall be liable in a civil action by the person.

(c) A person shall be liable for using a domain name under section 481B-B(a) only if that person is the domain name registrant or the registrant’s authorized licensee.

§481B-C Determining bad faith intent. (a) In any action brought pursuant to this part, it shall be the claimant’s burden to prove by a preponderance of the evidence the person’s bad faith intent. In determining whether there is bad faith intent pursuant to section 481B-B, a court may consider factors, including, but not limited to, the following:

- (1) The trademark or other intellectual property rights of the person, if any, in the domain name;
- (2) The person’s prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;

- (3) The person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name;
- (4) The person's intent to divert users from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;
- (5) The extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify the person;
- (6) The person's offer to transfer, sell, or otherwise assign the domain name for financial gain without having used or having an intent to use, the domain name in the bona fide offering of any goods or services or the person's prior conduct indicating a pattern of such conduct;
- (7) The person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct;
- (8) The person's registration or acquisition of multiple domain names that the person knew were identical or confusingly similar to marks of others that were distinctive at the time of registration of the domain names, without regard to the goods or services of the parties;
- (9) The person's registration or acquisition of multiple domain names that the person knew were identical or confusingly similar to the name of another living person, without the person's consent; and
- (10) The person sought or obtained consent from the rightful owner to register, traffic in, or use the domain name.

(b) Bad faith intent described in subsection (a) shall not be found in any case in which the court determines that the person alleged to be in violation of this part believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful.

§481B-D Exceptions. (a) A person who in good faith registers a domain name consisting of the name of another living person, or a name substantially and confusingly similar thereto, shall not be liable under section 481B-B if the name is used in, affiliated with, or related to a work of authorship protected under title 17, United States Code, including a work made for hire as defined in section 101 of title 17, United States Code, and if the person registering the domain name is the copyright owner or licensee of the work, the person intends to sell the domain name in conjunction with the lawful exploitation of the work, and the registration is not prohibited by a contract between the registrant and the named person. The exception under this subsection shall apply only to a civil action brought under this part and shall in no manner limit the protections afforded under the Trademark Act of 1946 (15 U.S.C. 1051 et seq.) or other federal or state law.

(b) The domain name registrar or registry or other domain name authority shall not be liable for damages or other remedies under section 481B-E for the registration or maintenance of a domain name for another, regardless of whether the domain name is finally determined to infringe the mark.

§481B-E Damages and remedies. (a) Any persons whose rights under section 481B-B have been violated may bring a civil action against the person responsible for the violation.

(b) In any civil action brought under this part, if the court finds a violation of section 481B-B, the court may award:

- (1) Injunctive relief, including the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark;
- (2) Equitable relief;
- (3) Compensatory damages;
- (4) Punitive damages;
- (5) Costs of the action; and
- (6) Reasonable attorney's fees.

(c) A claimant who files suit under this part, prior to the commencement of trial, may elect to recover, instead of compensatory and punitive damages, an award of statutory damages in an amount of not less than \$1,000 or threefold damages by the claimant sustained, whichever sum is the greater, and reasonable attorney's fees together with the costs of the suit."

SECTION 2. Chapter 481B, Hawaii Revised Statutes, is amended by designating sections 481B-1 to 481B-14 as part I and inserting a title before section 481B-1 to read as follows:

“PART I. MISCELLANEOUS PROVISIONS”

Section 3. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 4. New statutory material is underscored.

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

(Approved June 25, 2001.)