A BILL FOR AN ACT

RELATING TO FORECLOSURES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1   SECTION 1. Section 521-71, Hawaii Revised Statutes, is

2 amended to read as follows:

3   "§521-71 **Termination of tenancy; landlord's remedies for**

4 **holdover tenants** [-]**; foreclosure.** (a) When the tenancy is

5 month-to-month, the landlord may terminate the rental agreement

6 by notifying the tenant, in writing, at least forty-five days in

7 advance of the anticipated termination. When the landlord

8 provides notification of termination, the tenant may vacate at

9 any time within the last forty-five days of the period between

10 the notification and the termination date, but the tenant shall

11 notify the landlord of the date the tenant will vacate the

12 dwelling unit and shall pay a prorated rent for that period of

13 occupation.

14   (b) When the tenancy is month-to-month, the tenant may

15 terminate the rental agreement by notifying the landlord, in

16 writing, at least twenty-eight days in advance of the

17 anticipated termination. When the tenant provides notice of

1 termination, the tenant shall be responsible for the payment of

2 rent through the twenty-eighth day.

3   (c) Before a landlord terminates a month-to-month tenancy

4 where the landlord contemplates voluntary demolition of the

5 dwelling units, conversion to a condominium property regime

6 under chapter 514A or 514B, or changing the use of the building

7 to transient vacation rentals, the landlord shall provide notice

8 to the tenant at least one hundred twenty days in advance of the

9 anticipated demolition or anticipated termination. If notice is

10 revoked or amended and reissued, the notice period shall begin

11 from the date it was reissued or amended. Any notice provided,

12 revoked, or amended and reissued shall be in writing. When the

13 landlord provides notification of termination pursuant to this

14 subsection, the tenant may vacate at any time within the one-

15 hundred-twenty-day period between the notification and the

16 termination date, but the tenant shall notify the landlord of

17 the date the tenant will vacate the dwelling unit and shall pay

18 a prorated rent for that period of occupation.

19   (d) When the tenancy is less than month-to-month, the

20 landlord or the tenant may terminate the rental agreement by

21 notifying the other at least ten days before the anticipated

22 termination.

1   (e)   Whenever the term of the rental agreement expires,

2   whether by passage of time, by mutual agreement, by the giving

3   of notice as provided in subsection (a), (b), (c), or (d) or by

4   the exercise by the landlord of a right to terminate given under

5   this chapter, if the tenant continues in possession after the

6   date of termination without the landlord's consent, the tenant

7   may be liable to the landlord for a sum not to exceed twice the

8   monthly rent under the previous rental agreement, computed and

9   prorated on a daily basis, for each day the tenant remains in

10 possession.   The landlord may bring a summary proceeding for

11 recovery of the possession of the dwelling unit at any time

12 during the first sixty days of holdover.   Should the landlord

13 fail to commence summary possession proceedings within the first

14 sixty days of the holdover, in the absence of a rental

15 agreement, a month-to-month tenancy at the monthly rent

16 stipulated in the previous rental agreement shall prevail

17 beginning at the end of the first sixty days of holdover.

18   (f)   Before the successor in interest to a foreclosed

19 property may terminate a tenancy under subsection (a), (c), or

20 (d) that is month-to-month or less than month-to-month and

21 commence a summary proceeding for possession, the successor in

22 interest shall notify the tenant of the foreclosure.   Notice

1   shall be given at least one hundred twenty days prior to the

2   date of the summary proceeding for possession. Notwithstanding

3   subsection (e), after the giving of notice under this

4   subsection, for each day the tenant remains in possession after

5   termination of the rental agreement under subsection (a), (c),

6   or (d) and to the date of commencement of the summary proceeding

7   for possession, the tenant may be liable to the successor in

8   interest for a sum not to exceed the monthly rent under the

9   rental agreement and any other charges specified under the terms

10 of the rental agreement, computed and prorated on a daily basis.

11 Thereafter, the tenant may be liable to the successor in

12 interest for the sums authorized under subsection (e) for each

13 day the tenant remains in possession. For the purposes of this

14 subsection, "successor in interest" means a fee simple owner or

15 owners of the property whose interest was acquired through a
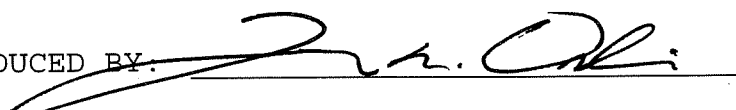
16 foreclosure action.

17   [(f)] (g) Any notice of termination initiated for the

18 purposes of evading the obligations of the landlord under

19 subsections 521-21(d) or (e) shall be void."

HB HMS 2009-1369

H.B. NO. 202

1   SECTION 2. Statutory material to be repealed is bracketed

2 and stricken. New statutory material is underscored.

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

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INTRODUCED BY: _____

JAN 2 2 2009

Report Title:
Mortgage Foreclosures; Tenant Notification

Description:
Requires notification of mortgage foreclosure to the tenant of
rental property by the successor in interest prior to
termination of the rental agreement and commencement of summary
possession proceedings. Provides that holdover tenants are
liable to the successor in interest for the pro-rated share of
rent and other charges authorized under the previous rental
agreement, for each day the tenant remains in possession up
until the commencement of summary possession proceedings, after
which higher charges authorized under existing law apply.