A BILL FOR AN ACT

RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE.

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

- 1 SECTION 1. Chapter 521, Hawaii Revised Statutes, is
- 2 amended by adding a new section to be appropriately designated
- 3 and to read as follows:
- 4 "§521- Application screening fee. (a) When a landlord
- 5 or the landlord's agent receives a request from an applicant to
- 6 rent residential property, the landlord or the landlord's agent
- 7 may charge the applicant an application screening fee at the
- 8 time the applicant is processed for the residential property, to
- 9 cover the costs of obtaining information about the applicant.
- 10 Information sought by the landlord or the landlord's agent
- 11 charging the fee may include personal reference checks, tenant
- 12 reports, and credit reports produced by any consumer credit
- reporting agency.
- 14 (b) The amount of the application screening fee shall not
- 15 exceed \$25.
- 16 (c) Upon request by the applicant, the landlord or the
- 17 landlord's agent shall provide to the applicant a receipt for

- 1 payment of the application screening fee and a copy of any
- 2 report obtained by the landlord or landlord's agent.
- 3 (d) The landlord or the landlord's agent shall return to
- 4 the applicant any amount of the application screening fee that
- 5 is not used for the purposes authorized by this section.
- 6 (e) For the purposes of this section:
- 7 "Consumer credit reporting agency" has the same meaning as
- 8 in section 489P-2.
- 9 "Credit report" has the same meaning as in section 489P-2."
- 10 SECTION 2. The department of commerce and consumer affairs
- 11 shall submit a report to the legislature, no later than twenty
- 12 days prior to the convening of the regular session of 2018, on
- 13 application screening fees charged by landlords and their
- 14 agents. The report shall include at a minimum, the average
- 15 application screening fee amount charged by a landlord or a
- 16 landlord's agent, the average number of applications received by
- 17 a landlord or a landlord's agent, the process and actual costs
- 18 incurred for obtaining any necessary information about an
- 19 applicant, and any other information deemed necessary by the
- 20 department. The report shall also include recommendations on
- 21 whether the application screening fee requirements contained in

- 1 this Act shall be made permanent, as well as proposed
- 2 legislation deemed necessary by the department.
- 3 SECTION 3. This Act does not affect rights and duties that
- 4 matured, penalties that were incurred, and proceedings that were
- 5 begun before its effective date.
- 6 SECTION 4. New statutory material is underscored.
- 7 SECTION 5. This Act shall take effect upon a date to be
- 8 determined and shall be repealed on June 30, 2018.

Report Title:

Residential Landlord-Tenant Code; Application Screening Fee; Tenant Report; Credit Report

Description:

Allows a landlord or landlord's agent to charge an application screening fee as part of the applicant screening process for renting residential property. Sets limits on the amount of the application screening fee and requires the landlord or agent to return any unauthorized fee amounts to the applicant. (HB223 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.