

Honolulu, Hawaii

APR 27 2017

RE: S.B. No. 119  
S.D. 1  
H.D. 1  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 119, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PAYMENT OF RENT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Require landlords to disclose in writing the tenant's ability to establish a new due date for rent payment if the tenant receives public assistance; and
- (2) Establish a cap of ten percent on late rent payment fees, applicable to all new rental agreements and rental agreement renewals entered into on or after the effective date of this measure.



Your Committee on Conference finds that existing law does not set limitations on the amount of late fees that a landlord may charge a tenant, which has resulted in a wide variance in amounts charged and has led to outrageous abuses. Although this measure caps any late charges that may be provided in a rental agreement at ten percent, your Committee on Conference finds that an eight percent cap is more appropriate. An amendment to this measure is therefore necessary.

Your Committee on Conference further finds that existing law requires a landlord to honor a tenant's request to establish a new due date if the tenant is receiving public assistance. This measure requires this right to be disclosed in writing to all tenants. However, your Committee on Conference notes that, rather than requiring all landlords to disclose this requirement to all tenants, a more appropriate approach is to ensure that providers of rental assistance develop a form that can be provided to recipients of public assistance.

Accordingly, your Committee on Conference requests that the Office of Consumer Protection, Real Estate Commission, and public housing entities, including but not limited to the Hawaii Public Housing Authority, collaborate to develop a form or informational brochure that can be provided to tenants who receive public assistance, and which informs such tenants of their rights, including that a tenant receiving public assistance has the ability to move the due date to a period after which the tenant receives a public assistance payment.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have required a landlord to disclose in writing a tenant's ability to establish a new due date for rent payment if the tenant receives public assistance;
- (2) Establishing a cap of eight percent, rather than ten percent, on late rent payment fees; and
- (3) Inserting an effective date of November 1, 2017.

Finally, your Committee on Conference notes that, after this amended measure goes into effect, the Office of Consumer Protection is requested to provide the Legislature with feedback regarding the cap on late rent payment fees established by this amended measure,



including whether this cap has impacted the types of complaints regarding late fees received by the Office of Consumer Protection.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 119, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 119, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

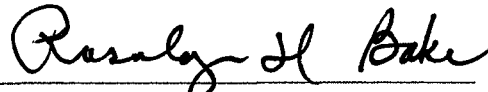
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



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ROY M. TAKUMI  
Chair



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ROSALYN H. BAKER  
Chair



Hawaii State Legislature

CLR 42

Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: <b>SB 119, SD 1, HD 1</b>					Date/Time: <i>4-25-17 3:08pm</i>				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				TAKUMI, Roy M., Chr.	✓			
CHANG, Stanley	✓				FUKUMOTO, Beth				✓
NISHIHARA, Clarence K.				✓	SAY, Calvin K.Y.	✓			
					WARD, Gene	✓			
TOTAL	2	-	-	1	TOTAL	3	-	-	1
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: <i>Rosalyn H Baker</i>					House Lead Chair's or Designee's Signature: <i>B. Baker</i>				
Distribution:      Original		Yellow			Pink		Goldenrod		
File with Conference Committee Report		House Clerk's Office			Senate Clerk's Office		Drafting Agency		