

JAN 18 2019

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 application is processed to cover the costs of
9 obtaining information about the applicant.

10 (b) A landlord or the landlord's agent shall not charge an
11 applicant an application screening fee when the landlord or the
12 landlord's agent knows or should have known that the rental unit
13 is either unavailable at that time or will not become available
14 within the time stated in an advertisement or in a written
15 notice provided to the applicant.

16 (c) The amount of the application screening fee shall not
17 exceed \$25 per applicant.



1 (d) The landlord or landlord's agent shall waive
2 subsequent application screening fees for a period of up to
3 three months after the date of the original application if the
4 same applicant applies to rent residential properties that the
5 landlord or landlord's agent owns or manages.

6 (e) If an application screening fee has been paid by the
7 applicant, the landlord or the landlord's agent shall provide to
8 the applicant a receipt for payment of the application screening
9 fee and a copy of any report obtained by the landlord or
10 landlord's agent.

11 (f) The landlord or landlord's agent shall return to the
12 applicant any amount of the application screening fee that is
13 not used for the purposes authorized by this section.

14 (g) For the purposes of this section:

15 "Applicant" means any person who makes a request to a
16 landlord or a landlord's agent to rent a dwelling unit with the
17 intention of signing a rental agreement, or any person who
18 agrees to act as a guarantor or cosigner for a person making a
19 request to rent a dwelling unit on a rental agreement.

20 "Application screening fee" means any payment charged by a
21 landlord or a landlord's agent to an applicant to offset the



1 cost of personal reference checks, tenant reports, and credit
2 reports produced by any consumer credit reporting agency.

3 "Consumer credit reporting agency" has the same meaning as
4 in section 489P-2.

5 "Credit report" has the same meaning as in section 489P-2."

6 SECTION 2. This Act does not affect rights and duties that
7 matured, penalties that were incurred, and proceedings that were
8 begun before its effective date.

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2019.

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S.B. NO. 249

Report Title:

Residential Landlord-Tenant Code; Application Screening Fee

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. Limits the amount that may be charged for an application screening fee. Requires the landlord or landlord's agent to return any unauthorized fee amounts to the applicant.

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