



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

ON THE FOLLOWING MEASURE:

H.B. NO. 931, H.D. 1, RELATING TO THE LANDLORD-TENANT CODE.

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY

DATE: Friday, February 22, 2019

TIME: 2:05 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Clare E. Connors, Attorney General, or
Mana Moriarty, Deputy Attorney General

Chair Lee and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purposes of this bill are (1) to prohibit a landlord from recovering possession of a dwelling unit from a tenant, or causing the tenant to be removed from the dwelling unit involuntarily, if habitability of the premises is significantly impaired; (2) to cap the tenant's liability for rent to the landlord at the fair rental value of the premises if the habitability of the premises is significantly impaired; and (3) to authorize specific recovery in the amount of two months' rent or two months' free occupancy by a tenant wrongfully removed.

This bill may be subject to a physical takings challenge and a regulatory takings challenge. The Takings Clauses of the United States Constitution (Fifth Amendment and Fourteenth Amendment) and the Constitution of the State of Hawai'i (article I, section 20) prohibit the taking of private property for public use without just compensation. Although takings jurisprudence can be complex, the United States Supreme Court has essentially adopted a per se rule that any physical interference with private property requires compensation. *E.g., Loretto v. Teleprompter Manhattan CATV Corp.*, 458 U.S. 419, 441 (1982). Ordinarily, compensation will be required even if the governmental interference with the property is temporary, as opposed to permanent. *Arkansas Game and Fish Comm'n v. United States*, 568 U.S. 23, 26 (2012).

If this bill is interpreted as authorizing a tenant to occupy the landlord's premises without paying either rent or fair rental value, our concern is that the law will effect a

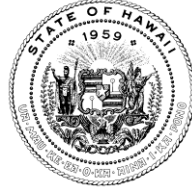
physical taking, and the State will be required to pay just compensation. See section 2, at page 6, lines 3–4. The risk of a physical takings claim could be reduced by clarifying that the tenant is liable for rent or fair rental value of the premises, whichever is less, for as long as the tenant physically occupies the premises.

If the landlord is perpetually barred from evicting a tenant after habitability of the premises is no longer significantly impaired, a regulatory takings claim for just compensation may arise. "Where a regulation places limitations on land that fall short of eliminating all economically beneficial use, a taking nonetheless may have occurred, depending on a complex of factors including the regulation's economic effect on the landowner, the extent to which the regulation interferes with investment-backed expectations, and the character of the government action." *Palazzolo v. Rhode Island*, 533 U.S. 606, 617 (2001).

If a landlord can only sell the property subject to the tenant's perpetual right to occupy it, the law may deprive the landlord of economic value of the property and may require the State to pay just compensation. The risk of a regulatory takings claim could be reduced by establishing conditions under which the landlord may recover possession or evict a tenant. We recommend that the landlord's ability to recover possession or evict the tenant be restored upon (a) termination of the rental agreement in accordance with law or the terms of the agreement, or (b) restoration of the premises to a habitable condition, whichever occurs earlier.

Lastly, the specification of two months' rent or two months' free occupancy is described as a type of damages. If the legislative intent is to impose a penalty, our recommendation is to authorize recovery in the amount of (a) a minimum fine that you determine to be appropriate, or (b) treble damages, whichever is greater.

Thank you for the opportunity to provide comments.



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Judiciary
Friday, February 22, 2019
2:05 p.m.
State Capitol, Conference Room 325**

**On the following measure:
H.B. 931, H.D. 1, RELATING TO THE LANDLORD-TENANT CODE**

Chair Lee and Members of the Committee:

My name is Stephen Levins, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department supports this bill.

The purposes of this bill are to: (1) prohibit landlords from recovering possession of dwelling units from tenants if habitability of premises is significantly impaired; (2) set a tenant's liability for rent if habitability of premises is significantly impaired; and (3) provide remedies for unlawful retaliatory evictions.

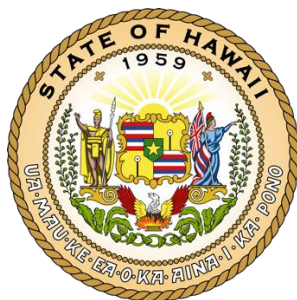
The Landlord-Tenant Information Center is staffed by OCP investigators and volunteers who provide landlords and tenants with information regarding landlord-tenant laws to help them resolve disputes relating to security deposits, late fees, and repairs. The most common complaint the center receives from tenants is a landlord failing to make repairs in a timely manner. While it is unclear if this type of complaint would result

in a dwelling unit becoming uninhabitable, this bill would incentivize landlords to keep their rental unit in a safe and sanitary condition.

Hawaii law allows a tenant to deduct up to \$500 from the following month's rent for the cost of repairs if the landlord does not respond to the tenant's written repair request within 12 business days. However, the cost to repair conditions that materially affect health and safety can exceed \$500, leaving the tenant with limited recourse to address, for example, an unsanitary plumbing or a dangerous electrical issue.

Hawaii renters already face one of the least affordable rental markets in the nation and oftentimes cannot find alternative housing if they are evicted. The Department supports this measure's deterrence of landlords from evicting tenants if the habitability of premises is significantly impaired.

Thank you for the opportunity to testify on this bill.



‘O kēia ‘ōlelo hō’ike no ke
Komikina Kūlana Olakino o Nā Wāhine

Testimony on behalf of the
Hawai‘i State Commission on the Status of Women
Khara Jabola-Carolus, Executive Director

Prepared for the House Committee on Judiciary

In Support of HB931 HD1
Friday, February 22, 2019, at 2:05 p.m. in Room 325

Dear Chair Lee, Vice Chair San Buenaventura and Honorable Members,

The Hawai‘i State Commission on the Status of Women **supports** of HB931 HD1 which would codify the right to assert a defense of warranty of habitability to an eviction. HB931 HD1, if passed, would also establish a minimum damages level of two months a tenant would be entitled by proving the landlord is evicting the tenant in an attempt to retaliate for requesting repairs or reporting health and safety issues to the government entity.

Hawai‘i ranks top six renter-dominated states in the nation. Since 2006, Honolulu has become a renter majority population, with 56.1 percent of residents renting a home.¹ The state overall is close behind at 43 percent.² One eviction occurs ever two days, and nine out of ten eviction lawsuits in the state result in tenants losing their homes.³

National data suggests that women of color living in poverty face the highest risk of eviction.⁴ Domestic violence victims and families with children are also at particularly high risk of eviction. In Hawaii, women can also be evicted for domestic violence issues because domestic violence victims are not a protected class for housing discrimination.

¹ Szekely, B., “Renters Became the Majority Population in 22 Big U.S. Cities,” Jan. 25, 2018, <https://www.rentcafe.com/blog/rental-market/market-snapshots/change-renter-vs-owner-population-2006-2016/>.

² *Id.*

³ Geminiani, V., Lawyers for Equal Justice, *Evicted in Hawai‘i: Lives Hanging in the Balance*, Dec. 7, 2018, <http://hiequaljustice.org/evicted-hawaii/>.

⁴ Eviction Lab, “Why Eviction Matters,” 2018, <https://evictionlab.org/why-eviction-matters/#eviction-facts>.

The disparate power and outcomes in favor of landlords should be addressed by state legislation. Accordingly, the Commission respectfully urges the passage of HB931 HD1.

Sincerely,

Khara Jabola-Carolus

February 22, 2019

The Honorable Chris Lee, Chair

House Committee on Judiciary

State Capitol, Room 325

Honolulu, Hawaii 96813

RE: H.B. 931, HD1, Relating to the Landlord-Tenant Code

HEARING: Friday, February 22, 2019, at 2:05 p.m.

Aloha Chair Lee, Vice Chair San Buenaventura and Members of the Committee:

I am Ken Hiraki Government Affairs Director, submitting written testimony on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 9,500 members. HAR **opposes** H.B. 931, H.D.1, which prohibits landlords from recovering possession of dwelling unit from tenants if habitability of premises is significantly impaired. Sets a tenant's liability for rent if habitability of premises is significantly impaired. Provides remedies for retaliatory evictions.

Under the Landlord-Tenant Code, Hawai'i Revised Statutes (HRS) §521, it imposes strict habitability obligations upon landlords and clear remedies for tenants for failure to properly maintain a rental unit or for engaging in improper retaliation evictions. Regarding repairs and landlord obligations to maintain habitability of a unit and tenant remedies, the Code provides the following:

Landlord Obligations / Tenant Remedies:

- HRS §521-64(c) and (d). **Emergency repairs** must be initiated within **3 business days**. If landlord fails to repair the unit, tenant may perform repairs and provide landlord with receipts and deduct up to \$500 from the next month's rent.
- HRS § 521-64(a) and (b). Repairs for **law, code or ordinance violations** must be initiated **within 5 business days**. If landlord fails to repair unit, tenant may perform repairs and provide landlord with receipts and deduct up to \$500 or one month's rent, whichever is greater.
- HRS §521-64(c). **General repairs** must be initiated **within 12 business days**. If landlord fails to repair unit, tenant may perform repairs and provide landlord with receipts and deduct up to \$500 from next month's rent.

Additionally, under HRS §521-42, a landlord has a duty to supply and maintain a fit premises at all times during the tenancy, which includes the following under subsection (a):

1. Complying with all applicable building and housing laws materially affecting health and safety.
2. Keeping the common areas of a multi-dwelling unit clean and safe
3. Making all repairs to keep the unit in a livable condition.
4. Maintaining electrical, plumbing and other facilities in good working order.
5. Providing garbage bins and frequent waste removal.
6. Providing running water.

Furthermore, under HRS §521-74, a landlord is prohibited from doing a retaliatory eviction and rent increase if a tenant in good faith requested repairs or complained in good faith to a governmental agency concerned with landlord-tenant disputes or to the landlord directly. If a landlord violates this section, a tenant can recover damages, legal costs and reasonable attorney fees.

Based on existing law regarding landlord obligations and tenant remedies, this measure does not seem necessary. Furthermore, if a unit is uninhabitable, two months of free occupancy may not be the best remedy, and existing law seems to sufficiently cover damages for retaliatory evictions.

Mahalo for the opportunity to testify on this measure.



Testimony of the Lawyers for Equal Justice
Regarding HB 931, House Judiciary Committee
Friday, February 22nd, 2019 at 2:05 PM

Thank you for the opportunity to testify in **strong support** of HB 931, which codifies the Hawaii Supreme Court decision establishing a warranty of habitability and sets minimum damages for a tenant who proves the landlord instituted an eviction process in retaliation for the tenant requesting repairs or seeking government assistance in correcting to endure health and safety violations in the apartment.

As you may know, in December Lawyers for Equal Justice (LEJ) released a report entitled “Evicted in Hawaii: Lives Hanging in the Balance” which found that only 4% of tenants had legal representation during the process while 70% of landlords were represented. Not surprisingly, landlords won possession in 97% of the cases. Even more depressing over 50% of tenants defaulted and did not show up for the first hearing and were automatically evicted.

Over the years, we have not had many legislative efforts in Hawaii to improve tenant rights and make protections easier to assert successfully. HB931 gives us that unique opportunity to begin a dialogue about changing that dynamic. **Bill 931 makes two important improvements to tenant rights and protections.**

The first improvement is to **amend the current Landlord-Tenant Code to include the concept of the warranty of habitability**. The principle of warranty of habitability is based on contract law: the tenant is responsible for paying the rent, while the landlord guarantees in return that the premises are habitable and in compliance with health, safety, and building codes. If the landlord fails to fulfill these obligations, then the tenant’s rent can be reduced by an appropriate amount retroactively to the date of failure.

- **The “warranty of habitability” already exists in Hawai‘i law.** The Hawai‘i Supreme Court has made clear that “the tenant’s obligation to pay rent and the landlord’s duty to maintain the premises in habitable condition are mutually dependent.” Contracts are two-way streets: when tenants don’t receive the basic services to which they are entitled, landlords cannot require them to pay rent.
- **Some state courts don’t recognize warranty of habitability claims.** The Hawai‘i State Legislature has never codified the warranty of habitability. Because the warranty of habitability exists only in case law, it has gone largely unenforced, resulting in a great number of unjust and illegitimate evictions.
- For many tenants, the warranty of habitability represents the only hope of receiving critical repairs. Landlords are required to provide tenants with functional plumbing, electricity, hot water, pest-free premises, garbage disposal, and basic security.

Nevertheless, some landlords ignore these obligations until a court intervenes. It is critical that tenants know the law is on their side when it comes to their fundamental rights.

- **Many other states have passed warranty of habitability laws.** For example: in California, the warranty of habitability has been passed into law. If a substantial breach is found—that is, if the tenant’s unit is unlivable due to the landlord’s negligence—the landlord cannot evict the tenant, provided the tenant pays any rent due based on the fair market value of the rental property.
- **Passing the warranty of habitability into law would do nothing more than reinforce current law and increase access to justice for Hawai‘i’s renters.** This would not be a novel addition to the law. Rather, it would simply work to ensure that cases are decided correctly and that tenants are not stripped of their rights.

The second improvement would be to **amend the Code to set minimum damages for retaliating against a tenant who requests repairs or reports health or safety code violations.**

- **Establishing minimum damages for retaliatory evictions would do nothing more than reinforce current law and increase access to justice for Hawai‘i’s renters.** It is already illegal for landlords to evict tenants for reporting sub-standard conditions. Minimum damages would simply give some teeth to the rules that already exist.
- **Anecdotal evidence suggests that retaliatory evictions are rampant in Hawai‘i.** Even though the law forbids it, tenants who complain about sub-standard conditions too often find themselves served with eviction notices from landlords who would rather not go to the trouble of bringing their rental units into compliance with health and safety regulations. This sort of retaliation is doubly harmful because it deters tenants from requesting repairs out of fear that doing so will put a target on their backs. Many tenants languish in unsanitary or unsafe units as a result.
- **Currently, the Landlord-Tenant Code puts the burden on tenants who have suffered retaliatory evictions to prove they are entitled to compensation.** Proving “damages” (the right to financial compensation) in court can be highly difficult, especially for tenants who are not familiar with the law, rules of evidence, and civil procedure. For this reason, most tenants never receive any form of compensation.
- **Clearly, retaliatory evictions are always damaging—at the very least, tenants must spend time and money fighting in court, and there are severe consequences associated with physical displacement.** Eviction directly fuels homelessness and leads to lower educational achievement, higher rates of crime, domestic abuse, and substance abuse, and poorer health outcomes generally.
- **Other states have recognized the inherently damaging nature of retaliatory evictions and established minimum damages for tenants who can show they were retaliated against.** Two months’ rent plus court costs represents a reasonable figure.

- **By establishing minimum damages for tenants who have suffered retaliatory evictions, the legislature would discourage landlords from retaliating against tenants.** Currently, landlords who retaliate against tenants do so with relative impunity. The promise of meaningful fines would be an effect deterrent to blatantly unlawful behavior.
- **A minimum damages level would also speed up trials, and give victimized tenants just compensation for the hardship they have endured.** Currently, it is almost never worth a tenant's time to pursue a retaliatory eviction case. The prospect of numerous court hearings and complex procedural requirements, coupled with the very real possibility of receiving nothing at the end of case, is enough to deter even those with the strongest cases from exercising their rights. If tenants were assured of a least a minimum level of compensation for their time and effort, they would much more often receive their due.

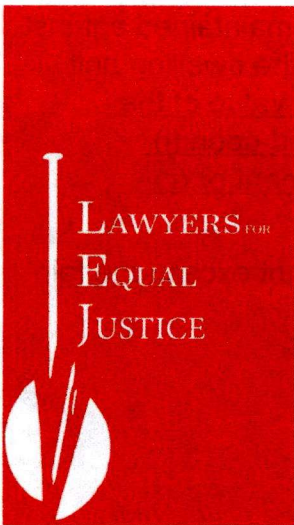
We wish to thank the House Judiciary Committee for an opportunity to testify in strong support for HB 931 and urge the Committee to pass the bill to improve tenant rights in the islands.

Aloha,

Victor Geminiani

Executive Director

Lawyers for Equal Justice (LEJ) is a non-profit law firm that advocates for low-income residents of Hawai'i. The central mission of Lawyers for Equal Justice is to help our clients gain access to the resources, services and fair treatment that they need to realize their opportunities for self-achievement and economic security. Our cases change systems and policies to make justice, equality and opportunity available to everyone.



LATE TESTIMONY

Suggested amended language for HB931 to resolve concerns brought forward by the Attorney General's Office.

Option One

Remove the eviction-ban language ("No action or proceeding to recover possession of the dwelling unit may be maintained against the tenant, nor shall the landlord otherwise cause the tenant to be removed from the dwelling unit involuntarily"). The habitability provision of the bill would then read:

"If a landlord's failure to materially comply with subsection (a) results in the significant impairment of the habitability of the premises, the tenant's liability for rent shall not exceed the fair rental value of the premises."

Then amend that language to read:

"If a landlord's failure to materially comply with subsection (a) results in the significant impairment of the habitability of the premises, the tenant's liability for rent, from the date of significant impairment, shall not exceed the fair rental value of the premises."

This makes clear that tenants who have been overcharged in previous months (or years) for uninhabitable units are entitled to their money back.

Option Two

The other way to address the objection would be to make clear that the eviction ban is contingent on the tenant continuing to pay fair-market rent, and that it expires either when habitability is restored or when the rental agreement is lawfully terminated:

"If a landlord's failure to materially comply with subsection (a) results in the significant impairment of the habitability of the premises:

(1) No action or proceeding to recover possession of the dwelling unit may be maintained against the tenant, nor shall the landlord otherwise cause the tenant to be removed from the dwelling unit involuntarily, provided that the tenant continues to pay rent equal to the fair rental value of the premises and that the landlord's ability to recover possession of the unit is restored upon (i) termination of the rental agreement in accordance with law or terms of the agreement or (ii) restoration of the premises to a habitable condition, whichever comes first; and

(2) The tenant's liability for rent, from the date of significant impairment, shall not exceed the fair rental value of the premises."



200 North Vineyard Boulevard, B140
Honolulu, HI 96817
Ph: 808-587-7886
Toll Free: 1-866-400-1116
www.hawaiiancommunity.net

February 20, 2019

House Committee on Judiciary
Friday, February 22, 2019
Conference Room 325

HB931, HD1 - SUPPORT

Aloha Committee Chair, Vice-Chair, and Members:

I am submitting testimony in my capacity as Executive Director of Hawaiian Community Assets (HCA), Hawaii's largest HUD-approved housing counseling agency, to **STONGLY SUPPORT HB931, HD1.**

HB931, HD1 codifies the Hawaii Supreme Court decision establishing a warranty of habitability and sets minimum damages for a tenant who proves the landlord instituted an eviction process in retaliation for the tenant requesting repairs or seeking government assistance in correcting to endure health and safety violations in the apartment.

This bill is critical as we learned in the recent Lawyers for Equal Justice report that only 4% of tenants had legal representation during the process while 70% of landlords were represented. This lopsided situation resulted in landlords winning possession in 97% of the cases.

Furthermore, in our work as a HUD housing counseling agency, we have been inundated over the last year with tenants coming to our organization for emergency loans for past due rent. Many of these tenants are residing in publicly subsidized affordable rental housing. After conducting our due diligence we are finding there are a significant number of cases in which the property management company failed to conduct an income certification after the tenant lost income in the household. This has resulted in an unjustified accumulation of past due rent for the tenant and worst, evictions.

In one instance, a tenant who was a disabled veteran came into our office only 5 days before an eviction hearing. He had been working 3 part-time jobs to make ends meet. When he lost two of his jobs, he contacted his property management company to ask for them to adjust his rent, but they failed to bring him in and complete the work and instead sought legal counsel to evict him from his apartment. Fortunately, we were able to pay his past due rent and keep him in the

rental. However, we determined that he was actually due money from the property management company due to their failure to adjust his rent. We sent letters to the property management company explaining the situation, but they failed to take action and continued to charge him a monthly rental amount based on his income with 3 part-time jobs instead of 1. The tenant contacted us in December to inform us he was evicted for being unable to pay rent and was at a homeless shelter “trying to put [his] life back together”.

Activate and Expand Mortgage Dispute Resolution Program

During our organization's participation in the Mortgage Foreclosure Task Force in 2011-12, we worked with consumer advocates and mortgage lenders to establish a mortgage dispute resolution program that would provide mediation for nonjudicial foreclosures. This was intended to allow for homeowners and their lenders to mediate mortgage delinquencies, saving both parties a significant amount of financial resources. At the same time, the program was to help reduce the backlog of judicial foreclosures in the State.

In light of the need for tenants to receive representation in eviction cases, we highly encourage this legislation to activate the Mortgage Dispute Resolution Program and expand its focus to include mediation of eviction cases. This additional option would help ensure tenants receive greater attention to their case with a third-party present to address the facts of the case and seek mediation.

We must ensure tenants like this gentleman have recourse and opportunity to have their stories heard before an eviction can take place. Our organization is especially concerned about tenants in publicly subsidized affordable rental housing and their property management companies that are able to continue their business without proper regulation and oversight ensuring they are abiding by the rules required by the public funding source. HB931, HD1 would go a long way to improve tenant rights and address unnecessary evictions. **PASS HB931, HD1.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.587.7653 or jeff@hawaiiancommunity.net should you have any questions or need additional information.

Sincerely



Jeff Gilbreath
Executive Director



CGPTA
Chinatown Gateway Plaza Tenant Association
Since 2006

To: Committee on Judiciary (JUD)
From: Chinatown Gateway Plaza Tenant Association (CGPTA)
Date: Friday, February 22, 2019, 2:05 p.m.
Place: Conference Room 325, State Capitol, 415 South Beretania Street

Re: Strong Support for HB931 HD1, Relating to the Landlord-Tenant Code.

Aloha e Chair Lee, Vice Chair San Buenaventura, and Members of the Committee on Judiciary,

My name is Steve Lohse, I'm a resident of Chinatown Gateway Plaza (CGP), a 200-unit, city-owned, affordable housing project in Chinatown. I'm also chair of the CGP Tenant Association (CGPTA), organized by CGP residents in 2006 to represent our resident voice in matters of concern to our Chinatown community. On behalf of the CGPTA, thank you for this opportunity to submit written testimony in **Strong Support of HB931 HD1** for the following reasons:

(1) Regarding habitability, the CGPTA recently hosted a House Meeting with our Resident Manager. The discussion was entirely about maintenance! Work orders were being misplaced, so critical maintenance was not being performed, and frustration was rising. We were able to sort this out, but what legal recourse would CGP residents have had otherwise? What recourse do Hawaii's renter households have who don't have lawyers or Tenant Associations?

(2) Regarding retaliatory evictions, a vision-impaired CGP resident recently helped an elderly neighbor move a mattress in the CGP freight elevator. She then received a written Notice of House Rules Violation from Security for using the freight elevator without management permission, including a written threat of eviction for a second violation. What legal recourse did this resident have except to appeal to me for help, and what recourse did I have?

Now we know that the legal recourse we needed in both cases already exists in Hawaii case law, but it's not codified by the Legislature and so not enforced, especially not on behalf of renters without readily available legal aid. **Please pass HB931 HD1** to give our Hawaii renter community at least this minimum level of legal protection from habitability violations and retaliatory evictions. Thank you!

Aloha no,
Steve Lohse, Chair
Chinatown Gateway Plaza Tenant Association (CGPTA)
CGP.Tenant.Association@gmail.com



TO: Chair Lee, Vice Chair San Buenaventura, and Members of the House Committee on Judiciary

FROM: Ryan Kusumoto, President & CEO of Parents And Children Together (PACT)

DATE/LOCATION: February 22, 2019; 2:05 p.m., Conference Room 325

RE: TESTIMONY IN SUPPORT OF HB 931 HD 1– RELATING TO THE LANDLORD-TENANT CODE

We ask you to support HB 931 HD 1 which prohibits landlords from recovering possession of dwelling unit from tenants if habitability of premises is significantly impaired, sets a tenant's liability for rent if habitability of premises is significantly impaired and provides remedies for retaliatory evictions. We support this bill which aims to protect the rights of tenants, a majority of whom do not have additional time or resources to dedicate to fighting their case when faced with retaliatory evictions and for whom evictions could be detrimental to their futures. All Hawaii residents should be entitled to safe, stable housing.

- Tenants should not be subjected to sub-standard conditions of living nor should they be subjected to unfair treatment or retaliatory evictions when reporting health and safety violations to their landlords.
- Landlords have a responsibility to upkeep and maintain properties and adhere to all health and safety standards and building codes.
- A Hawaii 2018 *Lawyers for Economic Justice* study noted that in 2017 approximately 1,600-1,800 households were evicted.
- Evictions are a lose-lose situation for both landlords and tenants who are forced to invest both time and money into
- More than 50% of renters are already cost burdened (spending more than 30% of their income on rent), which makes it difficult to have any disposable income let alone funds to spend on legal representation when faced with retaliatory evictions.
- The *Lawyers for Economic Justice* study also noted that when faced with evictions, these renters would need to also likely incur additional expenses (i.e. moving fees, new rental application fees, security deposit) that would put them further into a financial hole and perpetuate issues of poverty and homelessness in Hawaii.

- Establishing minimum damages for tenants who can prove they suffered retaliatory evictions would hopefully deter landlords from unlawfully retaliating against tenants and, in the case of retaliatory evictions, provide compensation for hardships tenants endured.

Parents And Children Together serves over 90% of individuals and families who are living in deep poverty. Many of the individuals and families we work with are hard-working, brave, resourceful and resilient. They work hard to make ends meet and amongst juggling school and/or work they also commit a lot of time to “agency time” (seeking out resources to support their families). These are individuals and families who are already living paycheck to paycheck or for whom, one setback could mean a snowball effect of “hard luck” which puts them back into the vicious cycles of poverty and possibly homelessness. It is important that we continue to support all the people of Hawaii and create fair laws that help our residents continue to live, work and find hopeful and healthy futures here at home.

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii’s not-for-profit organizations providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 18 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, and community building programs.

Thank you for the opportunity to testify in **support of HB 931 HD 1**, please contact me at (808) 847-3285 or rkusumoto@pacthawaii.org if you have any questions.

HB-931-HD-1

Submitted on: 2/21/2019 12:55:22 PM

Testimony for JUD on 2/22/2019 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Erik Meade	Individual	Support	No

Comments:

Please protect renters being unfairly treated by landlords who do not keep units in livable conditions by supporting HB931.

HB-931-HD-1

Submitted on: 2/21/2019 1:49:45 PM

Testimony for JUD on 2/22/2019 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Annie AuHoon	Individual	Support	No

Comments:

Thank you for the opportunity to testify in **strong support** of HB 931, which codifies the Hawaii Supreme Court decision establishing a warranty of habitability and sets minimum damages for a tenant who proves the landlord instituted an eviction process in retaliation for the tenant requesting repairs or seeking government assistance in correcting to endure health and safety violations in the apartment.

Sincerely,

Annie Au Hoon