EXECUTIVE CHAMBERS HONOLULU

DAVID Y. IGE GOVERNOR

May 25, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty First State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on May 25, 2021, the following bill was signed into law:

HB391 HD3 SD2

RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE. **ACT 019 (21)**

Sincerely,

Governor, State of Hawai'i

ORIGINAL

Approved by the Governor

MAY 2 5 2021

HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2021 STATE OF HAWAII **ACT** 019

H.B. NO. 391 H.D. 3 S.D. 2

A BILL FOR AN ACT

RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE.

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

- SECTION 1. The purpose of this Act is to establish a

 process for the early termination of a rental agreement for

 certain active duty servicemembers who:

 (1) Receive military orders requiring the servicemember tenant to vacate civilian housing and move into
- on-post government quarters; provided that failure to

 move into on-post government quarters will result in a
- forfeiture of basic allowance for housing; or
- 9 (2) Die while serving on active duty.
- 10 SECTION 2. Chapter 521, Hawaii Revised Statutes, is
- 11 amended by adding a new section to be appropriately designated
- 12 and to read as follows:
- "§521- Early termination of tenancy; servicemember
- 14 tenants. (a) A servicemember tenant may terminate a rental
- 15 agreement of a term of one year or less without penalty or fees
- 16 for early termination or liability for future rent if the
- 17 servicemember tenant receives military orders requiring the

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1	serviceme	mber tenant to vacate civilian housing and move into
2	on-post g	overnment quarters; provided that:
3	<u>(1)</u>	Failure to move into on-post government quarters will
4		result in a forfeiture of the servicemember tenant's
5		basic allowance for housing;
6	(2)	The servicemember tenant requests permission from
7		their commanding officer to maintain their housing
8		allowance and their request is denied; and
9	(3)	The servicemember tenant submits at least thirty days
10		written notice to the landlord.
11	<u>(b)</u>	When the tenancy is from month to month, a
12	serviceme	mber tenant may terminate a rental agreement without
13	penalty o	r fees for early termination or liability for future
14	rent if t	he servicemember tenant receives military orders
15	requiring	the servicemember tenant to vacate civilian housing
16	and move	into on-post government quarters; provided that failure
17	to move i	nto on-post government quarters will result in a
18	forfeitur	e of the servicemember tenant's basic allowance for
19	housing;	provided further that the servicemember tenant submits
20	at least	fifteen days written notice to the landlord.

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1	(c) The written notice required under subsection (a)
2	or (b) shall be accompanied by the following documents:
3	(1) Either:
4	(A) A copy of official military orders; or
5	(B) A written verification signed by the
6	servicemember tenant's commanding officer; and
7	(2) Written proof from the servicemember tenant's
8	commanding officer that the servicemember tenant's
9	request to maintain their housing allowance was
10	denied.
11	(d) In the event a servicemember tenant dies during active
12	duty, an adult member of the servicemember tenant's family may
13	terminate a rental agreement of a term of one year or less, or a
14	rental agreement with a month to month tenancy, without penalty
15	or fees for early termination or liability for future rent if
16	the family member provides at least fifteen days written notice
17	to the landlord. The notice shall be accompanied by a copy of
18	the servicemember tenant's death certificate and:
19	(1) A copy of official military orders showing the
20	servicemember tenant was on active duty: or

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1	(2) A written verification signed by the servicemember
2	tenant's commanding officer.
3	(e) If the servicemember tenant is solely liable on the
4	rental agreement, the rental agreement shall terminate on the
5	early termination date described in subsection (a), (b), or (d),
6	and the servicemember tenant or servicemember tenant's estate or
7	family member, as applicable, shall be liable for rent owed
8	through the early termination date plus any previous obligations
9	outstanding as of that date. The amount due from the
10	servicemember tenant shall be paid to the landlord on or before
11	the early termination date.
12	(f) If there are multiple tenants who are parties to the
13	rental agreement, the release of one or more servicemember
14	tenants under this section shall not terminate the rental
15	agreement with respect to the other non-terminating tenants;
16	provided that the other non-terminating tenants demonstrate an
17	ability to pay the rent under the rental agreement, as
18	determined by the landlord. If the other non-terminating
19	tenants fail to demonstrate an ability to pay the rent, the
20	landlord may terminate the rental agreement by giving notice of
21	early termination to the other non-terminating tenants at least

1	thirty da	ys before the early termination date specified in the
2	notice; p	rovided that the landlord shall not assess any penalty
3	or fees f	or the early termination. The amount due from the
4	other non	-terminating tenants shall be paid to the landlord on
5	or before	the early termination date.
6	The	landlord shall not be required to refund security
7	deposits	under section 521-44 or prepaid rent until:
8	(1)	The rental agreement terminates with respect to all
9		tenants and the dwelling unit is surrendered to the
10		landlord; or
11	(2)	Early termination is effected pursuant to this
12		section, in which case each terminating tenant shall
13		receive a prorated share of any security deposit or
14		prepaid rent from the landlord upon termination of the
15		rental agreement; provided that the percentage of any
16		security deposit to be returned shall be determined by
17		the parties in writing; provided further that if there
18		is no determination made by the parties regarding the
19		percentage share of the security deposit, the landlord
20		shall be permitted to refund the security deposit in
21		equal shares to each tenant on the rental agreement.

1	(g)	If a servicemember tenant or an adult member of the
2	serviceme	mber tenant's family submits notice of early
3	terminati	on in compliance with this section, the landlord shall:
4	(1)	Return a prorated share of all security deposits
5		recoverable by the terminating servicemember tenant or
6		the terminating servicemember tenant's family member
7		under section 521-44 and prepaid rent recoverable by
8		the terminating servicemember tenant or the
9		terminating servicemember tenant's family member
10		following the servicemember tenant's or family
11		member's surrender of the dwelling unit, except as
12		otherwise provided in subsection (f); provided that
13		the landlord may withhold a prorated amount of the
14		security deposit for payment of damages that the
15		landlord has suffered by reason of the terminating
16		servicemember tenant's noncompliance with
17		section 521-51; and
18	(2)	Not assess any fee or penalty against the terminating
19		servicemember tenant or the terminating servicemember
20		tenant's family member for exercising any right
21		granted under this section.

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1	(h) This section shall not affect a servicemember tenant's
2	liability for delinquent, unpaid rent, or other amounts owed to
3	the landlord before the rental agreement was terminated by the
4	servicemember tenant or servicemember tenant's family member
5	under this section.
6	(i) Nothing in this section shall be construed to infringe
7	upon or affect in any way the rights a servicemember tenant may
8	have under the federal Servicemembers Civil Relief Act,
9	P.L. 108-189, or chapter 657D.
10	(j) This section shall not apply if the military orders
11	are a result of disciplinary action or court order.
12	(k) For the purposes of this section, "servicemember
13	tenant" means an active duty member of the regular or reserve
14	component of the United States armed forces, the United States
15	Coast Guard, or the Hawaii national guard, who is on ordered
16	federal duty for a period of ninety days or more and who is a
17	party to a rental agreement under this chapter."
18	SECTION 3. This Act does not affect rights and duties that
19	matured, penalties that were incurred, and proceedings that were

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begun before its effective date.

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- 1 SECTION 4. New statutory material is underscored.
- 2 SECTION 5. This Act shall take effect on November 1, 2021.

APPROVED this 25 day of MAY , 2021

Aarid Y Le GOVERNOR OF THE STATE OF HAWAII

HB No. 391, HD 3, SD 2

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 27, 2021 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.

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Scott K. Saiki Speaker House of Representatives

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Brian L. Takeshita Chief Clerk

House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 9, 2021 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2021.

President of the Sonate

Clerk of the Sonate