A BILL FOR AN ACT

RELATING TO THE LANDLORD-TENANT CODE.

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

- 1 SECTION 1. The legislature finds that, due to the
- 2 coronavirus disease 2019 (COVID-19) pandemic, tens of thousands
- 3 of Hawaii residents have lost their jobs and have been unable to
- 4 pay their rent. To provide protections for those tenants
- 5 struggling to pay rent during this time, in April 2020, the
- 6 governor signed a fifth emergency supplementary proclamation,
- 7 which includes an eviction moratorium that prohibits any
- 8 eviction from a residential dwelling unit for failure to pay
- 9 rent. The legislature finds, however, that while this
- 10 moratorium has been extended at various times throughout the
- 11 course of the COVID-19 pandemic, at some point, the eviction
- 12 moratorium will expire. Therefore, a balanced approach is
- 13 needed to encourage communications and facilitate mediation
- 14 between landlords and tenants to help reduce the large number of
- 15 summary possession cases that are expected to follow the
- 16 expiration of certain COVID-19 emergency proclamations.
- Accordingly, the purpose of this Act is to:

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1	(1)	Extend the period for a notice of termination of the
2		rental agreement from five days to fifteen calendar
3		days;
4	(2)	Require landlords to engage in mediation and delay
5		filing an action for summary possession if a tenant
6		schedules or attempts to schedule a mediation;
7	(3)	Require landlords to provide specific information in
8		the fifteen-calendar day notice to tenants, which
9		shall also be provided to a mediation center that
10		offers free mediation for residential landlord-tenant
11		disputes;
12	(4)	Restrict when a landlord may exercise remedies,
13		depending on the number of days that have elapsed
14		following the expiration of the governor's eviction
15		moratorium and the amount of rent due;
16	(5)	Provide for the expungement and sealing of court
17		records of eviction judgments for failure to pay rent
18		that are entered during the one-year period following
19		the expiration of the governor's final eviction
20		moratorium; and

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1	(6) Repeal these amendments made to Hawaii's residential
2	landlord-tenant code one year after the expiration of
3	the governor's final eviction moratorium.
4	SECTION 2. Section 521-68, Hawaii Revised Statutes, is
5	amended to read as follows:
6	"§521-68 Landlord's remedies for failure by tenant to pay
7	rent. (a) A landlord or the landlord's agent may, any time
8	after rent is due, demand payment thereof and notify the tenant
9	in writing that unless payment is made within a time mentioned
10	in the notice[τ] as provided in subsection (b), not less than
11	[five business] fifteen calendar days after receipt thereof, the
12	rental agreement [will] shall be terminated. If the tenant
13	cannot be served with notice as required, notice may be given to
14	the tenant by posting the same in a conspicuous place on the
15	dwelling unit[-], and the notice shall be deemed received on the
16	date of posting. If the tenant remains in default, the landlord
17	may thereafter bring a summary proceeding for possession of the
18	dwelling unit or any other proper proceeding, action, or suit
19	for possession[-], subject to subsections (b) through (h). The
20	notice required in this section need not be given if the action

1	is based	on the breach of a mediated agreement or other
2	settlemen	t agreement.
3	(b)	The fifteen-calendar day notice shall provide, at a
4	minimum,	the following:
5	(1)	The name of the landlord or the landlord's agent and
6		the landlord or landlord's agent's contact
7		information, including, if possible, phone number,
8		electronic mail address, and mailing address;
9	(2)	The address of the dwelling unit subject to the rental
10		<pre>agreement;</pre>
11	(3)	The name and contact information of each tenant,
12		including, if possible, phone number, electronic mail
13		address, and mailing address;
14	(4)	The monthly rental rate of the dwelling unit;
15	(5)	The current amount of the rent due as of the date of
16		the notice, after applying all rent paid from all
17		sources;
18	(6)	Whether the landlord or landlord's agent has applied
19		for rental assistance or been contacted on behalf of
20		the tenant by any agency providing rental assistance;

1	(7)	That any rental assistance received by the landlord or
2		landlord's agent has been credited to the tenant's
3		amount due;
4	(8)	That a copy of the fifteen-calendar day notice being
5		provided to the tenant is also being provided to the
6		mediation center to be identified by the landlord and,
7		in accordance with subsection (c), in order for the
8		mediation center to contact the landlord and tenant to
9		attempt to schedule a mediation regarding the
10		nonpayment of rent;
11	<u>(9)</u>	That the mediation center will provide proof to the
12		landlord that the notice was received and provide
13		confirmation of the scheduled date of mediation;
14	(10)	That the landlord or landlord's agent may file an
15		action for summary possession if the rent due is not
16		paid and if mediation is not scheduled within fifteen
17		calendar days after the tenant's receipt of the
18		fifteen-calendar day notice, regardless of whether the
19		scheduled mediation session occurs within the fifteen
20		calendar days;

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1	(11)	A warning in bold typeface print that says: "If
2		mediation is not scheduled within fifteen calendar
3		days after receipt of the notice, regardless of
4		whether the scheduled mediation session occurs within
5		the fifteen-calendar day period, then the landlord may
6		file an action for summary possession after the
7		expiration of the fifteen-calendar day period. If
8		mediation is scheduled before the expiration of the
9		fifteen-calendar day period, regardless of whether the
10		scheduled mediation session occurs within the fifteen
11		calendar days, then the landlord shall only file an
12		action for summary possession after the expiration of
13		thirty calendar days following the tenant's receipt of
14		the fifteen-calendar day notice. If the fifteen-
15		calendar day notice was mailed, receipt of notice
16		shall be deemed to be two days after the date of the
17		postmark. If the fifteen-calendar day notice was
18		posted on the premises, receipt of notice shall be
19		deemed to be the date of posting. If an agreement is
20		reached before the filing of an action for summary
21		possession, whether through mediation or otherwise,

	then the landlord shall not bring an action for
	summary possession against the tenant, except as
	provided in any agreement that may be reached. The
	landlord shall be required to note the status of the
	mediation or settlement effort and proof of sending or
	posting the fifteen-calendar day notice to the
	mediation center in the action for summary
	possession.";
(12)	Notice that the eviction may be subject to additional
	requirements and protections under state or federal
	law and that the tenant is encouraged to seek the
	tenant's own legal advice regarding their rights and
	responsibilities; and
(13)	That the landlord or landlord's agent shall engage in
	mediation if mediation is scheduled.
(c)	Landlords or their agents shall provide the fifteen-
calendar	day notice to a mediation center that offers free
mediation	for residential landlord-tenant matters. The
mediation	center shall contact the landlord or landlord's agent
and the t	enant to schedule the mediation. If a tenant schedules
mediation	within the fifteen-calendar day period, regardless of
	(13) (c) calendar mediation mediation and the t

1	wiletiler t.	me scheduled mediation session occurs within the
2	fifteen-d	ay period, the landlord shall only file a summary
3	proceedin	g for possession after the expiration of thirty
4	calendar	days from the date of receipt of the notice. If the
5	tenant sc	hedules mediation, the landlord shall participate.
6	(d)	The summary possession complaint for nonpayment of
7	rent shal	l include:
8	(1)	A document or documents from the mediation center
9		verifying that the landlord provided a copy of the
10		required fifteen-calendar day notice to the mediation
11		<pre>center;</pre>
12	(2)	A statement as to whether the landlord or landlord's
13		agent and tenant have participated in, or will
14		participate in, any scheduled mediation; and
15	(3)	If mediation is pending, the date on which the
16		mediation is scheduled.
17	<u>(e)</u>	If the mediation has not occurred as of, or been
18	scheduled	for a future date after, the return hearing date on
19	the summa:	ry possession complaint, the court, in its discretion
20	and based	on a finding of good cause, may order a separate
21	mediation	

1	<u>(f)</u>	If there is any defect in the fifteen-calendar day
2	notice de	scribed in subsection (b) provided by the landlord and
3	the court	determines the defect was unintentional and
4	immateria	1, the court may allow the landlord to cure the defect
5	without d	ismissing the action for summary possession.
6	<u>(g)</u>	No landlord may issue a notice demanding payment of
7	rent or c	ommence a summary proceeding for possession; an action
8	for rent	alone; or any other proceeding, action, or suit for a
9	tenant's	failure to pay rent except as follows:
10	(1)	Beginning on the third day after the expiration date
11		of the final eviction moratorium through the thirtieth
12		day after the expiration date of the final eviction
13		moratorium, the rent due shall be equal to or greater
14		than four months' rent;
15	(2)	Beginning on the thirty-first day after the expiration
16		date of the final eviction moratorium through the
17		ninety-first day after the expiration date of the
18		final eviction moratorium, the rent due shall be equal
19		to or greater than three months' rent;
20	(3)	Beginning on the ninety-second day after the
21		expiration date of the final eviction moratorium

1		through the one hundred fifty-second day after the
2		expiration date of the final eviction moratorium, the
3		rent due shall be equal to or greater than two months'
4		rent; and
5	(4)	Beginning on the one hundred fifty-third day after the
6		expiration date of the final eviction moratorium
7		through the three hundred sixty-fifth day after the
8		expiration day of the final eviction moratorium, the
9		rent due shall be equal to or greater than one month's
10		rent.
11	For	purposes of this section, "final eviction moratorium"
12	means an	emergency proclamation or supplementary proclamation,
13	or any ex	tension thereof, issued by the governor and related to
14	the coron	avirus disease 2019 pandemic, that prohibits any
15	eviction	from a residential dwelling for a failure to pay rent.
16	[(b)	-A] (h) Except as provided in subsection (g), a
17	landlord	or the landlord's agent may bring an action for rent
18	alone at	any time after the landlord has demanded payment of
19	past due	rent and notified the tenant of the landlord's
20	intention	to bring [such an] the action."

1 SECTION 3. (a) Upon written application by a person 2 against whom a judgment terminating the tenancy for a dwelling 3 unit pursuant to section 521-68, Hawaii Revised Statutes, was 4 entered during the one-year period immediately following the 5 expiration date of the final eviction moratorium, the court 6 shall issue an order to expunge and seal the record for that 7 judgment. 8 (b) As used in this section, "final eviction moratorium" 9 means an emergency proclamation or supplementary proclamation, 10 or any extension thereof, issued by the governor and related to 11 the coronavirus disease 2019 pandemic, that prohibits any 12 eviction from a residential dwelling for a failure to pay rent. 13 SECTION 4. This Act does not affect rights and duties that 14 matured, penalties that were incurred, and proceedings that were 15 begun before its effective date; provided that any contract in 16 effect prior to the effective date of this Act that is 17 subsequently renewed or extended on or after the effective date 18 of this Act shall comply with the requirements of this Act. 19 SECTION 5. Statutory material to be repealed is bracketed

and stricken. New statutory material is underscored.

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- 1 SECTION 6. This Act shall take effect on July 1, 2050;
- 2 provided that the governor shall notify the chief justice,
- 3 legislature, and revisor of statutes no later than twenty days
- 4 prior to the expiration of the final eviction moratorium
- 5 identified in sections 2 and 3 of this Act, that the governor
- 6 will not be issuing any further eviction moratoriums in response
- 7 to the COVID-19 pandemic. Upon the one year anniversary of the
- 8 expiration date identified by the governor:
- 9 (1) All provisions of this Act except section 3 shall be
- 10 repealed; and
- 11 (2) Section 521-68, Hawaii Revised Statutes, shall be
- reenacted in the form in which it read on the day
- prior to the effective date of this Act.

Report Title:

Housing; Landlord-tenant Code; Remedies; Notice; Failure to Pay Rent; Mediation

Description:

Extends the required period for a notice of termination of the rental agreement from 5 days to 15 days. Requires landlords to provide notice with specified terms and enter into mediation. Delays when a landlord may seek possession of a dwelling unit if the tenant schedules or attempts to schedule mediation. Requires landlords to provide the notice of termination of the rental agreement to a mediation center that offers free mediation for residential landlord-tenant disputes. Restricts when a landlord may exercise these remedies depending on the amount of rent due. Provides for the expungement and sealing of court records of eviction judgments entered during the 1-year period following the final eviction moratorium. Repeals certain provisions 1 year after expiration of the governor's final eviction moratorium emergency supplementary proclamation related to the coronavirus disease 2019 pandemic. Effective 7/1/2050. (SD2)

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HB1376 SD2 LRB 21-1776-1.doc