## 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. The governor has issued proclamations related
- 5 to the COVID-19 emergency to provide protections for tenants
- 6 struggling to pay rent during this time, including an eviction
- 7 moratorium that prohibits any eviction from a residential
- 8 dwelling unit for failure to pay rent. The legislature finds,
- 9 however, that while this moratorium has been extended at various
- 10 times throughout the course of the COVID-19 pandemic, at some
- 11 point, the eviction moratorium will expire. Therefore, a
- 12 balanced approach is needed to encourage communications and
- 13 facilitate mediation between landlords and tenants to help
- 14 reduce the large number of summary possession cases that are
- 15 expected to follow the expiration of certain COVID-19 emergency
- 16 proclamations.

1	Acco	rdingly, the purpose of this Act is to:
2	(1)	Extend the period for a notice of a summary possession
3		action from five business days to fifteen calendar
4		days;
5	(2)	Require landlords to provide specific information in
6		the fifteen calendar day notice to tenants and require
7		the notice to be provided to a mediation center that
8		offers free mediation for residential landlord-tenant
9		disputes;
10	(3)	Require landlords to engage in mediation and delay
11		filing a summary possession action if a tenant
12		schedules or attempts to schedule a mediation;
13	(4)	Restrict when a landlord may exercise remedies,
14		depending on the number of days that have elapsed
15	€	following the expiration date of the governor's final
16		eviction moratorium and the amount of rent due;
17	(5)	Appropriate funds for the judiciary to contract for
18		mediation services; and
19	(6)	Repeal the amendments made to Hawaii's residential
20		landlord-tenant code on December 31, 2022, or one year

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

1	(b)	The fifteen calendar day notice shall provide, at a
2	minimum,	the following:
3	(1)	The name of the landlord or the landlord's agent and
4		the landlord's or landlord's agent's contact
5		information, including, if possible, phone number,
6		electronic mail address, and mailing address;
7	(2)	The address of the dwelling unit subject to the rental
8		agreement;
9	(3)	The name and contact information of each tenant,
10		including, if possible, phone number, electronic mail
11		address, and mailing address;
12	(4)	The monthly rental rate of the dwelling unit;
13	(5)	The current amount of the rent due as of the date of
14		the notice, after applying all rent paid from all
15		sources;
16	(6)	Whether the landlord or landlord's agent has applied
17		for rental assistance or been contacted on behalf of
18		the tenant by any agency providing rental assistance;
19	(7)	That any rental assistance received by the landlord or
20		landlord's agent has been credited to the tenant's
21		amount due:

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

1			scheduled mediation session occurs within the
2			fifteen calendar day period, then the landlord
3			may file an action for summary possession after
4			the expiration of the fifteen calendar day
5			period;
6		<u>(B)</u>	If mediation is scheduled before the expiration
7			of the fifteen calendar day period, regardless of
8			whether the scheduled mediation session occurs
9			within the fifteen calendar day period, then the
10			landlord cannot file an action for summary
11			possession until thirty calendar days after
12			receipt of the fifteen calendar day notice; and
13		(C)	If the fifteen calendar day notice is mailed,
14			receipt of notice shall be deemed to be two days
15			after the date of the postmark;
16	(12)	Noti	ce that the eviction may be subject to additional
17		requ	irements and protections under state or federal
18		law	and that the tenant is encouraged to seek the
19		tena	nt's own legal advice regarding the tenant's
20		righ	ts and responsibilities; and

	(13)	That the	landlord o	or landlor	d's agen	it shall engage in
		mediatio	n if mediat	tion is sc	heduled.	-
If	the fi	fteen cal	endar day ı	notice is	mailed,	receipt of the
no	tice sh	all be de	emed to be	two days	after th	e date of the
ро	stmark.	-				
	(c)	The fift	een calenda	ar day not	ice requ	ired under this
se	ction m	ay be sub	stantially	in the fo	llowing	form:
	"I,			, am the	landlord	or landlord's
ag	ent for	the prop	erty at			and the contact
<u>in</u>	formati	on of the	landlord d	or landlor	d's agen	t is:
			•			
	The	tenant(s)	are:		a	nd the contact
<u>in</u>	formati	on of the	tenant(s)	is:		•
	Unde	r the ter	ms of the	lease for	the prop	erty, you are
ob	ligated	l to pay r	ent of \$			per
			<u>.</u>			
	The	current a	mount of re	ent due as	of the	date of this
no	tice is	\$		•		
	I ap	plied to,	or was not	tified tha	t you ap	plied to,
			(names d	of program	s or age	ncies) for rental
as	sistanc	e with re	spect to re	ant Any	rental a	esistance roccivo

•	has arready been included in calculating the amount stated in
2	the preceding sentence.
3	As required under section 521-68, Hawaii Revised Statutes,
4	this notice is also being sent to
5	(appropriate mediation center) and they will contact you to
6	schedule mediation regarding the nonpayment of rent. You may
7	also contact this mediation center to schedule mediation and the
8	contact information of the mediation center is:
9	<u> </u>
10	IF MEDIATION IS NOT SCHEDULED WITHIN FIFTEEN (15) CALENDAR
11	DAYS AFTER RECEIPT OF THIS NOTICE, REGARDLESS OF WHETHER THE
12	SCHEDULED MEDIATION SESSION OCCURS WITHIN THE FIFTEEN (15)
13	CALENDAR DAY PERIOD, THEN THE LANDLORD MAY FILE AN ACTION FOR
14	SUMMARY POSSESSION AFTER THE EXPIRATION OF THE FIFTEEN (15)
15	CALENDAR DAY PERIOD. HOWEVER, IF YOU DO SCHEDULE MEDIATION
16	BEFORE THE EXPIRATION OF THE FIFTEEN (15) CALENDAR DAY PERIOD,
17	REGARDLESS OF WHETHER THE SCHEDULED MEDIATION SESSION OCCURS
18	WITHIN THE FIFTEEN (15) CALENDAR DAY PERIOD, THEN THE LANDLORD
19	MAY NOT FILE AN ACTION FOR SUMMARY POSSESSION UNTIL THE
20	EXPIRATION OF THIRTY (30) CALENDAR DAYS AFTER RECEIPT OF THIS
21	NOTICE. IF THIS FIFTEEN (15) CALENDAR DAY NOTICE IS MAILED, THE

- 1 RECEIPT OF THE NOTICE IS DEEMED TO HAVE OCCURRED TWO DAYS AFTER
- 2 THE DATE OF THE POSTMARK. IF THIS NOTICE WAS POSTED ON YOUR
- 3 PREMISES, RECEIPT IS DEEMED TO HAVE OCCURRED ON THE DATE OF
- 4 POSTING.
- 5 If we reach an agreement before the filing of an action for
- 6 summary possession, whether through mediation or otherwise, then
- 7 I will not bring an action for summary possession against you,
- 8 except as provided in any agreement we may reach. I will be
- 9 required to note the status of our mediation or settlement
- 10 effort and proof of my sending this notice to the mediation
- 11 center in the action for summary possession.
- 12 PLEASE BE AWARE THAT WE MAY BOTH BE SUBJECT TO ADDITIONAL
- 13 STATE OR FEDERAL REQUIREMENTS OR PROGRAMS REGARDING EVICTION AT
- 14 THE TIME OF THIS NOTICE. YOU ARE ENCOURAGED TO SEEK YOUR OWN
- 15 LEGAL ADVICE AS TO YOUR RIGHTS AND RESPONSIBILITIES.
- As landlord, I must engage in mediation with you, if you
- 17 choose to schedule mediation.
- (d) Landlords or their agents shall provide the fifteen
- 20 calendar day notice to mediation centers that offer free
- 21 mediation for residential landlord-tenant matters. The



1	mediation	center shall contact the landlord or landlord's agent					
2	and the te	nant to schedule the mediation. If a tenant schedules					
3	mediation	mediation within the fifteen calendar day period, regardless of					
4	whether the	e scheduled mediation session occurs within the					
5	fifteen da	ys, the landlord shall not file a summary proceeding					
6	for posses	sion until the expiration of thirty days from the date					
7	of receipt of the notice. If the tenant schedules mediation,						
8	the landlo	rd shall participate.					
9	(e) '	The summary possession complaint for nonpayment of					
10	rent shall	include:					
11	(1)	A document or documents from the mediation center that					
12	<u>:</u>	show proof that the landlord provided a copy of the					
13	<u>:</u>	required fifteen calendar day notice to the mediation					
14	9	center;					
15	(2)	A representation as to whether the landlord or					
16	<u>-</u>	landlord's agent and tenant participated in, or will					
17	]	participate in, any scheduled mediation; and					
18	(3)	If mediation is pending, the date on which the					
19	<u> </u>	mediation is scheduled.					
20	(f)	If the mediation has not occurred or been scheduled					
21	for a futu	re date, as of the return hearing date on the summary					

1	possess10	in complaint, the court may, in its discretion, and			
2	based on	a finding of good cause, order a separate mediation.			
3	(g)	If there is any defect in the fifteen calendar day			
4	notice re	quired in subsection (b) provided by the landlord, and			
5	the court	determines the defect was unintentional and			
6	immateria	1, the court may allow the landlord to cure the defect			
7	without dismissing the action for summary possession.				
8	(h)	No landlord may bring a summary proceeding for			
9	possession for a tenant's failure to pay rent except pursuant to				
10	this sect	ion and as follows:			
11	(1)	Beginning on the first day after the expiration date			
12		of the final eviction moratorium through the thirtieth			
13		day after the expiration date of the final eviction			
14		moratorium, the rent due is equal to or greater than			
15		<pre>four months' rent;</pre>			
16	(2)	Beginning on the thirty-first day after the expiration			
17		date of the final eviction moratorium through the			
18		ninety-first day after the expiration date of the			
19		final eviction mortarium, the rent due is equal to or			
20		greater than three months' rent;			

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

# S.B. NO. 5.D. 2

1 SECTION 3. There is appropriated out of the of 2 the State of Hawaii the sum of \$ or so much thereof as 3 may be necessary for fiscal year 2022-2023 for the judiciary to 4 contract for mediation services required by this Act. 5 The sum appropriated shall be expended by the judiciary for 6 the purposes of this Act. 7 SECTION 4. This Act does not affect rights and duties that 8 matured, penalties that were incurred, and proceedings that were begun before its effective date; provided that any contract in 9 10 effect prior to the effective date of this Act that is subsequently renewed or extended on or after the effective date 11 12 of this Act shall comply with the requirements of this Act. 13 SECTION 5. Statutory material to be repealed is bracketed 14 and stricken. New statutory material is underscored. 15 SECTION 6. This Act shall take effect on May 6, 2137; 16 provided this Act shall be repealed on December 31, 2022, or one 17 year after the expiration date of the final eviction moratorium identified in section 2 of this Act, whichever is sooner; and 18 section 521-68, Hawaii Revised Statutes, shall be reenacted in 19 20 the form in which it read on the day prior to the effective date

of this Act.

21

### Report Title:

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

### Description:

Extends the required period for a notice of summary possession from five business days to fifteen calendar days. Requires landlords to provide notice with specified terms to a tenant and enter into mediation with the tenant. 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 to mediation centers that offer free mediation for residential landlord-tenant disputes. Restricts when a landlord may exercise these remedies depending on the number of days that have elapsed following the expiration date of the governor's final eviction moratorium and the amount of rent due. Appropriates funds for the judiciary to contract for mediation services. Repeals 12/31/2022, or one year after expiration of the governor's final eviction moratorium emergency supplementary proclamation related to the coronavirus disease 2019 pandemic, whichever is sooner. Effective 5/6/2137. (HD1)

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