

JAN 26 2022

A BILL FOR AN ACT

RELATING TO TENANT RIGHTS.

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

1 SECTION 1. The legislature finds that tenants need
2 additional protections in the wake of the ongoing COVID-19
3 pandemic. The legislature recognizes the landlord-tenant code
4 heavily favors landlords, offering little to no tenant
5 protections. Community preservation measures that ensure
6 renters do not risk eviction are effective in municipalities
7 like San Francisco. A robust sellers' market in the real estate
8 sector created an eviction epidemic in 2021. Good tenants are
9 losing their housing after renting for decades. Hawaii's
10 communities could benefit from some modicum of tenant
11 protection. Such measure would stabilize our workforce, help
12 keep our keiki home, and create housing security where there
13 currently is none.

14 Accordingly, the purpose of this Act is to:

- 15 (1) Establish a penalty for landlord violations of the
16 residential landlord-tenant code;



- (2) Establish minimum notice requirements for landlords terminating rental agreements;
- (3) Limit the allowable amount for landlord rent increases annually; and
- (4) Require landlords to pay tenants when terminating or refusing to renew a rental agreement.

SECTION 2. Chapter 521, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§521-_____ **Penalty.** In addition to any other penalties, any landlord that violates this chapter shall be liable to the tenant in an amount equal to three months' rent."

SECTION 3. Section 127A-30, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Whenever the governor declares a state of emergency for the entire State or any portion thereof, or a mayor declares a local state of emergency for the county or any portion thereof, or when the State, or any portion thereof, is the subject of a severe weather warning:

- (1) There shall be prohibited any increase in the selling price of any commodity, whether at the retail or



1 wholesale level, in the area that is the subject of
2 the proclamation or the severe weather warning; and

3 (2) No landlord shall terminate any tenancy for a
4 residential dwelling unit in the area that is the
5 subject of the proclamation or the severe weather
6 warning, except that a tenancy for a residential
7 dwelling unit may be terminated by the landlord upon
8 at least thirty-days' notice for a breach of a
9 material term of a rental agreement or lease[7] or at
10 least forty-five-days' notice if the unit is unfit for
11 occupancy as defined in this chapter; provided that:

12 (A) Nothing in this chapter shall be construed to
13 extend a fixed-term lease beyond its termination
14 date, except that a periodic tenancy for a
15 residential dwelling unit may be terminated by
16 the landlord upon at least forty-five days'
17 written notice:

18 (i) When the residential dwelling unit is sold
19 to a bona fide purchaser for value; or



(ii) When the landlord or an immediate family member of the landlord will occupy the residential dwelling unit; or

(B) Under a fixed-term lease or a periodic tenancy, upon forty-five days' written notice, a landlord may require a tenant or tenants to relocate during the actual and continuous period of any repair to render a residential dwelling unit fit for occupancy; provided that:

(i) Reoccupancy shall first be offered to the same tenant or tenants upon completion of the repair;

(ii) The term of the fixed-term lease or periodic tenancy shall be extended by a period of time equal to the duration of the repair; and

(iii) It shall be the responsibility of the tenant or tenants to find other accommodations during the period of repair."

SECTION 4. Section 521-21, Hawaii Revised Statutes, is amended by amending subsections (d) and (e) to read as follows:



"(d) When the tenancy is from month to month, the amount of rent for such tenancy shall not be increased by the landlord ~~[without]~~:

(1) Without written notice given forty-five consecutive days ~~[prior to]~~ before the effective date of the increase~~[-]~~; and

(2) In an amount greater than five per cent during any twelve-month period.

(e) When the tenancy is less than month to month, the amount of rent for such tenancy shall not be increased by the landlord ~~[without]~~:

(1) Without written notice given fifteen consecutive days ~~[prior to]~~ before the effective date of the increase~~[-]~~; and

(2) In an amount greater than five per cent during any twelve-month period."

SECTION 5. Section 521-68, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (a) through (d) to read:

"(a) A landlord or the landlord's agent may, any time after rent is due, demand payment thereof and notify the tenant



1 in writing that unless payment is made within a time mentioned
2 in the notice as provided in subsection (b), ~~[not]~~ no less than
3 ~~[fifteen-calendar]~~ thirty days after receipt thereof, the rental
4 agreement shall be terminated. If the tenant cannot be served
5 with notice as required, notice may be given to the tenant by
6 posting the same in a conspicuous place on the dwelling unit,
7 and the notice shall be deemed received on the date of posting.
8 If the tenant remains in default, the landlord may thereafter
9 bring a summary proceeding for possession of the dwelling unit
10 or any other proper proceeding, action, or suit for possession,
11 subject to subsections (b) through (g). The notice required in
12 this section need not be given if the action is based on the
13 breach of a mediated agreement or other settlement agreement.

14 (b) The ~~[fifteen-calendar-day]~~ thirty-day notice shall
15 provide, at a minimum, the following:

16 (1) The name of the landlord or the landlord's agent and
17 the landlord's or landlord's agent's contact
18 information, including, if possible, phone number,
19 electronic mail address, and mailing address;

20 (2) The address of the dwelling unit subject to the rental
21 agreement;



- 1 (3) The name and contact information of each tenant,
2 including, if possible, phone number, electronic mail
3 address, and mailing address;
- 4 (4) The monthly rental rate of the dwelling unit;
- 5 (5) The current amount of the rent due as of the date of
6 the notice, after applying all rent paid from all
7 sources;
- 8 (6) Whether the landlord or landlord's agent has applied
9 for rental assistance or been contacted on behalf of
10 the tenant by any agency providing rental assistance;
- 11 (7) That any rental assistance received by the landlord or
12 landlord's agent has been credited to the tenant's
13 amount due;
- 14 (8) That a copy of the [~~fifteen-calendar-day~~] thirty-day
15 notice being provided to the tenant is also being
16 provided to the mediation center to be identified by
17 the landlord and, in accordance with subsection (c),
18 in order for the mediation center to contact the
19 landlord and tenant to attempt to schedule a mediation
20 regarding the nonpayment of rent;



1 (9) That the mediation center will provide proof to the
2 landlord that the notice was received and provide
3 confirmation of the scheduled date and time of
4 mediation;

5 (10) That the landlord or landlord's agent may file an
6 action for summary possession if the rent due is not
7 paid and if mediation is not scheduled within
8 [~~fifteen-calendar~~] thirty days after the tenant's
9 receipt of the [~~fifteen-calendar-day~~] thirty-day
10 notice, regardless of whether the scheduled mediation
11 session occurs within the [~~fifteen-calendar~~]
12 thirty days;

13 (11) A warning in bold typeface print that says: "If
14 mediation is not scheduled within [~~fifteen-calendar~~]
15 thirty days after receipt of the notice, regardless of
16 whether the scheduled mediation session occurs within
17 the [~~fifteen-calendar-day~~] thirty-day period, then the
18 landlord may file an action for summary possession
19 after the expiration of the [~~fifteen-calendar-day~~]
20 thirty-day period. If mediation is scheduled before
21 the expiration of the [~~fifteen-calendar-day~~]



1 thirty-day period, regardless of whether the scheduled
2 mediation session occurs within the [~~fifteen-calendar~~]
3 thirty days, then the landlord shall only file an
4 action for summary possession after the expiration of
5 [~~thirty-calendar~~] forty-five days following the
6 tenant's receipt of the [~~fifteen-calendar-day~~]
7 thirty-day notice. If the [~~fifteen-calendar-day~~]
8 thirty-day notice was mailed, receipt of notice shall
9 be deemed to be two days after the date of the
10 postmark. If the [~~fifteen-calendar-day~~] thirty-day
11 notice was posted on the premises, receipt of notice
12 shall be deemed to be the date of posting. If an
13 agreement is reached before the filing of an action
14 for summary possession, whether through mediation or
15 otherwise, then the landlord shall not bring an action
16 for summary possession against the tenant, except as
17 provided in any agreement that may be reached. The
18 landlord shall be required to note the status of the
19 mediation or settlement effort and proof of sending or
20 posting the [~~fifteen-calendar-day~~] thirty-day notice



1 to the mediation center in the action for summary
2 possession.";

3 (12) Notice that the eviction may be subject to additional
4 requirements and protections under state or federal
5 law and that the tenant is encouraged to seek the
6 tenant's own legal advice regarding their rights and
7 responsibilities; and

8 (13) That the landlord or landlord's agent shall engage in
9 mediation if mediation is scheduled.

10 (c) Landlords or their agents shall provide the
11 [~~fifteen-calendar day~~] thirty-day notice to a mediation center
12 that offers free mediation for residential landlord-tenant
13 matters. The mediation center shall contact the landlord or
14 landlord's agent and the tenant to schedule the mediation. If a
15 tenant schedules mediation within the [~~fifteen-calendar day~~]
16 thirty-day period, regardless of whether the scheduled mediation
17 session occurs within the [~~fifteen-day~~] thirty-day period, the
18 landlord shall only file a summary proceeding for possession
19 after the expiration of [~~thirty-calendar~~] forty-five days from
20 the date of receipt of the notice. If the tenant schedules
21 mediation, the landlord shall participate.



(d) The summary possession complaint for nonpayment of rent shall include:

(1) A document or documents from the mediation center verifying that the landlord provided a copy of the required [~~fifteen-calendar-day~~] thirty-day notice to the mediation center;

(2) A statement as to whether the landlord or landlord's agent and tenant have participated in, or will participate in, any scheduled mediation; and

(3) If mediation is pending, the date on which the mediation is scheduled."

2. By amending subsection (f) to read:

"(f) If there is any defect in the [~~fifteen-calendar-day~~] thirty-day notice described in subsection (b) provided by the landlord and the court determines the defect was unintentional and immaterial, the court may allow the landlord to cure the defect without dismissing the action for summary possession."

SECTION 6. Section 521-69, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) If the tenant is in material noncompliance with section 521-51, the landlord, upon learning of any such



1 noncompliance and after notifying the tenant in writing of the
2 noncompliance and allowing a specified time [~~not~~] no less than
3 [~~ten~~] thirty days after receipt of the notice, for the tenant to
4 remedy the noncompliance:

5 (1) May terminate the rental agreement and bring a summary
6 proceeding for possession of the dwelling unit or any
7 other proper proceeding, action, or suit for
8 possession if the tenant is in material noncompliance
9 with section 521-51(1); or

10 (2) May remedy the tenant's failure to comply and bill the
11 tenant for the actual and reasonable cost of such
12 remedy if the noncompliance can be remedied by the
13 landlord by cleaning, repairing, replacing a damaged
14 item, or the like, which bill shall be treated by all
15 parties as rent due and payable on the next regular
16 rent collection date or, if the tenancy has
17 terminated, immediately upon receipt by the tenant.

18 No allowance of time to remedy noncompliance shall be required
19 when noncompliance by the tenant causes or threatens to cause
20 irreparable damage to any person or property. If the tenant
21 cannot be served with notice as required, notice may be given



1 the tenant by posting the same in a conspicuous place on the
2 dwelling unit."

3 SECTION 7. Section 521-71, Hawaii Revised Statutes, is
4 amended to read as follows:

5 **"§521-71 Termination of tenancy; landlord's remedies for**
6 **holdover tenants.** (a) When the tenancy is month-to-month, the
7 landlord may terminate the rental agreement by notifying the
8 tenant, in writing, at least forty-five days in advance of the
9 anticipated termination. When the landlord provides
10 notification of termination, the tenant may vacate at any time
11 within the last forty-five days of the period between the
12 notification and the termination date, but the tenant shall
13 notify the landlord of the date the tenant will vacate the
14 dwelling unit and shall pay a prorated rent for that period of
15 occupation.

16 (b) When the tenancy is month-to-month, the tenant may
17 terminate the rental agreement by notifying the landlord, in
18 writing, at least twenty-eight days in advance of the
19 anticipated termination. When the tenant provides notice of
20 termination, the tenant shall be responsible for the payment of
21 rent through the twenty-eighth day.



1 (c) Before a landlord terminates a month-to-month tenancy
2 where the landlord contemplates voluntary demolition of the
3 dwelling units, conversion to a condominium property regime
4 under chapter 514B, or changing the use of the building to
5 transient vacation rentals, the landlord shall provide notice to
6 the tenant at least one hundred twenty days in advance of the
7 anticipated demolition or anticipated termination. If notice is
8 revoked or amended and reissued, the notice period shall begin
9 from the date it was reissued or amended. Any notice provided,
10 revoked, or amended and reissued shall be in writing. When the
11 landlord provides notification of termination pursuant to this
12 subsection, the tenant may vacate at any time within the
13 one-hundred-twenty-day period between the notification and the
14 termination date, but the tenant shall notify the landlord of
15 the date the tenant will vacate the dwelling unit and shall pay
16 a prorated rent for that period of occupation.

17 (d) When the tenancy is less than month-to-month~~[, the]~~:

18 (1) The landlord ~~[or the]~~ may terminate the rental
19 agreement by notifying the tenant at least forty-five
20 days before the anticipated termination; and



1 (2) The tenant may terminate the rental agreement by
2 notifying the [~~other~~] landlord at least ten days
3 before the anticipated termination.

4 (e) Whenever the term of the rental agreement expires,
5 whether by passage of time, by mutual agreement, by the giving
6 of notice as provided in subsection (a), (b), (c), or (d), or by
7 the exercise by the landlord of a right to terminate given under
8 this chapter, if the tenant continues in possession after the
9 date of termination without the landlord's consent, the tenant
10 may be liable to the landlord for a sum not to exceed twice the
11 monthly rent under the previous rental agreement, computed and
12 prorated on a daily basis, for each day the tenant remains in
13 possession. The landlord may bring a summary proceeding for
14 recovery of the possession of the dwelling unit at any time
15 during the first sixty days of holdover. Should the landlord
16 fail to commence summary possession proceedings within the first
17 sixty days of the holdover, in the absence of a rental
18 agreement, a month-to-month tenancy at the monthly rent
19 stipulated in the previous rental agreement shall prevail
20 beginning at the end of the first sixty days of holdover.



(f) Any notice of termination initiated for the purposes of evading the obligations of the landlord under subsections 521-21(d) or (e) shall be void.

(g) A landlord that terminates a rental agreement under this section or section 127A-30(a)(2)(A), except terminations for a breach of a material term of a rental agreement or lease, or refuses to renew a rental agreement shall, at the time the landlord delivers the tenant the notice to terminate the rental agreement or forty-five days before the specified ending date of the rental agreement, pay the tenant an amount equal to:

(1) One month's rent if the tenant has been renting the dwelling unit for five years or less;

(2) Two month's rent if the tenant has been renting the dwelling unit for more than five years but less than ten years; or

(3) Three month's rent if the tenant has been renting the dwelling unit for ten years or more.

If the landlord terminates the rental agreement or refuses to renew the rental agreement because the landlord has accepted an offer to purchase the dwelling unit, the landlord may recover



the amount paid to the tenant under this subsection from the
purchaser."

SECTION 8. Section 521-72, Hawaii Revised Statutes, is
amended by amending subsection (a) to read as follows:

"(a) If the tenant breaches any rule authorized under
section 521-52, the landlord may notify the tenant in writing of
the tenant's breach. The notice shall specify the time, ~~[not]~~
no less than ~~[ten]~~ thirty days, within which the tenant is
required to remedy the breach and shall be in substantially the
following form:

"(Name and address of tenant) (date)
You are hereby notified that you have failed to perform
according to the following rule:

(specify rule allegedly breached)

Be informed that if you (continue violating) (again
violate) this rule after (a date ~~[not]~~ no less than ~~[ten]~~
thirty days after this notice), the landlord may terminate the
rental agreement and sue for possession of your dwelling unit."



1

2 No allowance of time to remedy the breach of any rule authorized
3 under section 521-52 shall be required when the breach by the
4 tenant causes or threatens to cause damage to any person or
5 constitutes a violation of section 521-51(1) or (6)."

6 SECTION 9. Section 521-74, Hawaii Revised Statutes, is
7 amended as follows:

8 1. By amending subsection (b) to read:

9 "(b) Notwithstanding subsection (a), the landlord may
10 recover possession of the dwelling unit if:

11 (1) The landlord provides at least thirty days' notice to
12 the tenant and:

13 [~~(1)~~] (A) The tenant is committing waste, or a nuisance, or
14 is using the dwelling unit for an illegal purpose
15 or for other than living or dwelling purposes in
16 violation of the tenant's rental agreement; or

17 (B) The complaint or request of subsection (a)
18 relates only to a condition or conditions caused
19 by the lack of ordinary care by the tenant or
20 another person in the tenant's household or on
21 the premises with the tenant's consent; or



(2) The landlord provides the required notice under section 521-71 or at least forty-five days' notice, as applicable, to the tenant and:

[+2+] (A) The landlord seeks in good faith to recover possession of the dwelling unit for immediate use as the landlord's own abode or that of the landlord's immediate family;

[+3+] (B) The landlord seeks in good faith to recover possession of the dwelling unit for the purpose of substantially altering, remodeling, or demolishing the premises;

~~[+4+] The complaint or request of subsection (a) relates only to a condition or conditions caused by the lack of ordinary care by the tenant or another person in the tenant's household or on the premises with the tenant's consent;~~

+5+] (C) The landlord has received from the department of health certification that the dwelling unit and other property and facilities used by or affecting the use and enjoyment of the tenant were on the date of filing of the complaint or



1 request in compliance with health laws and
 2 regulations;
 3 ~~[(+6)]~~ (D) The landlord has in good faith contracted to sell
 4 the property, and the contract of sale contains a
 5 representation by the purchaser corresponding to
 6 ~~[paragraph (2) or (3)]~~ subparagraph (A) or (B);
 7 or
 8 ~~[(+7)]~~ (E) The landlord is seeking to recover possession on
 9 the basis of a notice to terminate a periodic
 10 tenancy, which notice was given to the tenant
 11 previous to the complaint or request of
 12 subsection (a)."

13 2. By amending subsection (d) to read:

14 "(d) Notwithstanding subsection (a), the landlord may
 15 increase the rent if:

16 (1) The landlord has received from the department of
 17 health certification that the dwelling unit and other
 18 property and facilities used by and affecting the use
 19 and enjoyment of the tenant were on the date of filing
 20 of the complaint or request of subsection (a) in
 21 compliance with health laws and regulations;



1 (2) The landlord has become liable for a substantial
2 increase in property taxes, or a substantial increase
3 in other maintenance or operating costs not associated
4 with the landlord's complying with the complaint or
5 request, ~~[not]~~ no less than four months ~~[prior to]~~
6 before the demand for an increase in rent; and the
7 increase in rent does not exceed the prorated portion
8 of the net increase in taxes or costs;

9 (3) The landlord has completed a capital improvement of
10 the dwelling unit or the property of which it is a
11 part and the increase in rent does not exceed the
12 amount ~~[which]~~ that may be claimed for federal income
13 tax purposes as a straight-line depreciation of the
14 improvement, prorated among the dwelling units
15 benefited by the improvement;

16 (4) The complaint or request of subsection (a) relates
17 only to a condition or conditions caused by the want
18 of due care by the tenant or another person of the
19 tenant's household or on the premises with the
20 tenant's consent; or



1 (5) The landlord can establish, by competent evidence,
2 that the rent now demanded of the tenant does not
3 exceed the rent charged other tenants of similar
4 dwelling units in the landlord's building or, in the
5 case of a single-family residence or where there is no
6 similar dwelling unit in the building, does not exceed
7 the market rental value of the dwelling unit[-];
8 provided that the landlord shall not increase the rent in an
9 amount greater than five per cent during any twelve-month
10 period."

11 SECTION 10. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 11. This Act shall take effect upon its approval;
14 provided that the amendments made to section 521-68, Hawaii
15 Revised Statutes, by section 5 of this Act shall not be repealed
16 when that section is reenacted on August 6, 2022, pursuant to
17 section 7 of Act 57, Session Laws of Hawaii 2021.

18
INTRODUCED BY: 



S.B. NO. 3326

Report Title:

Residential Landlord-tenant Code; Penalty; Notice; Rent

Description:

Establishes a penalty for landlord violations of the residential landlord-tenant code. Establishes minimum notice requirements for landlords terminating rental agreements. Limits the allowable amount for landlord rent increases annually. Requires landlords to pay tenants when terminating or refusing to renew a rental agreement.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

