

STAND. COM. REP. NO.

1104

Honolulu, Hawaii

MAR 19 , 2021

RE: S.B. No. 1388
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B.
No. 1388, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE LANDLORD-TENANT CODE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Extend the period for a notice of a summary possession action from five business days to fifteen calendar days;
- (2) Require landlords to engage in mediation and delay filing a summary possession action if a tenant schedules or attempts to schedule a mediation;
- (3) Require landlords to provide specific information in the fifteen calendar day notice to tenants, which shall also be provided to a mediation center that offers free mediation for residential landlord-tenant disputes;
- (4) Restrict when a landlord may exercise remedies, depending on the number of days that have elapsed following the expiration of the Governor's eviction moratorium and the amount of rent due; and

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- (5) Repeal these amendments made to Hawaii's Residential Landlord-Tenant Code one year after the expiration of the Governor's final eviction moratorium.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, Office of Hawaiian Affairs, Hawaii Housing Finance and Development Corporation, Legal Aid Society of Hawai'i, Hawai'i Association of REALTORS, and three individuals. Your Committee received comments on this measure from the Medical-Legal Partnership Hawai'i.

Your Committee finds that the COVID-19 pandemic and the extraordinary governmental responses to contain the spread of the disease have ravaged the State's economy. Your Committee also finds that this negative economic effect threatens to exacerbate the State's pre-pandemic housing crisis, with many tenants unable to pay rent and facing possible eviction.

Your Committee notes that the Governor's emergency proclamations related to the COVID-19 emergency have prevented a wave of evictions by imposing an eviction moratorium. However, once the eviction moratorium ceases, many tenants will face the possibility of eviction. This measure provides a balanced approach to encourage communications and facilitate mediation between landlords and tenants to help reduce the large number of summary possession cases that are expected to follow the expiration of certain eviction-related emergency proclamations.

Your Committee has amended this measure by:

- (1) Expanding provisions that are required to be included in the fifteen calendar day notice to the tenant;
- (2) Clarifying the contents of the fifteen calendar day notice and adding example language that a landlord may provide to a tenant, in a substantially similar form;
- (3) Limiting the remedies a landlord may seek for a tenant's failure to pay rent to a summary proceeding for possession;
- (4) Specifying that the rent due by a tenant will be equal to or greater than four months' rent from the first day,



rather than the third day, through the thirtieth day after the expiration day of the final eviction moratorium;

- (5) Appropriating an unspecified amount of funds for fiscal year 2022-2023 for the Judiciary to contract for mediation services;
- (6) Repealing the amendments made to Hawaii's Residential Landlord-Tenant Code on December 31, 2022, or one year after the expiration of the Governor's final eviction moratorium, whichever is sooner; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1388, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1388, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Housing,


NADINE K. NAKAMURA, Chair



