

STAND. COM. REP. NO. 3636

Honolulu, Hawaii

APR 03 2024

RE: S.R. No. 157
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.R. No. 157 entitled:

"SENATE RESOLUTION URGING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS AND MAUI COUNTY TO INVESTIGATE AND ENFORCE APPLICABLE LAWS AGAINST LANDLORDS WHO ARE ENDING RENTAL AGREEMENTS TO HOUSE FEMA-ELIGIBLE HOUSEHOLDS THROUGH THE DIRECT LEASE PROGRAM OR THE DEPARTMENT OF HUMAN SERVICES RENTAL ASSISTANCE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to urge the Department of Commerce and Consumer Affairs and the County of Maui to investigate and enforce applicable laws against landlords who are ending rental agreements to house FEMA-eligible households through the Direct Lease Program or the Department of Human Services Rental Assistance Program.

Your Committee received testimony in support of this measure from Kaibigan ng Lāhaina.

Your Committee received comments on this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs.

Your Committee finds that the Federal Emergency Management Agency (FEMA) and the State have been providing short-term housing



for households that were displaced by the August 2023 Maui wildfire through FEMA's Direct Lease Program and the Department of Human Services' Rental Assistance Program (RAP). Your Committee further finds that because these programs pay above-market rates, it has been reported that some landlords on Maui have been refusing to renew lease agreements with existing tenants to rent the properties to FEMA- or RAP-eligible households in favor of higher rents. Your Committee finds that these incidents are not only unfair and unethical, but may also violate the moratorium on evictions established by the Governor's emergency proclamations. Therefore, this measure urges the Department of Commerce and Consumer Affairs and the County of Maui to address these illegal practices and ensure the stability of housing for residents in Lahaina.

Notwithstanding, your Committee notes the concerns raised by the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, testifying that the responsibility to investigate and enforce applicable laws against unscrupulous landlords who may have violated the Governor's emergency proclamation falls on the Department of the Attorney General. Therefore, amendments to this measure are necessary to address this issue.

Accordingly, your Committee has amended this measure by:

- (1) Urging the Department of the Attorney General, rather than the Department of Commerce and Consumer Affairs and Maui County, to investigate and enforce applicable laws against landlords who are ending rental agreements to house FEMA-eligible households through the Direct Lease Program or the Department of Human Services Rental Assistance Program;
- (2) Amending its title to reflect its amended purpose;
- (3) Updating the list of certified copy recipients by replacing the Director of Commerce and Consumer Affairs and Mayor of the County of Maui with the Attorney General; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 157, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 157, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



JARETT KEOHOKALOLE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <i>SR 157</i>	Committee Referral: <i>CPN</i>	Date: <i>3/22/24</i>
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.				✓
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton				✓
TOTAL	<i>3</i>			<i>2</i>

Recommendation:
 Adopted
 Not Adopted

Chair's or Designee's Signature:
Carol Fukunaga

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***Only one measure per Record of Votes**