



The Judiciary, State of Hawai'i

Testimony to the Thirty-Second Legislature, 2024 Regular Session

Senate Committee on Commerce and Consumer Protection

Senator Jarrett Keohokalole, Chair

Senator Carol Fukunaga, Vice Chair

Wednesday, February 7, 2024 at 9:40 a.m.
Hawai'i State Capitol, Conference Room 229

by

Judge Jeffrey P. Crabtree (ret.)

Director, Center for Alternative Dispute Resolution

Bill No. and Title: Senate Bill No. 3332, Relating to Eviction Mediation.

Purpose: Beginning 11/1/2024, extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule mediation; and requires landlords to provide specific information in the 10-calendar-day notice to tenants. Repeals 11/1/2026. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

Judiciary's Position:

The Hawai'i State Judiciary Center for Alternative Dispute Resolution strongly supports Senate Bill No. 3332, which establishes and funds a pre-litigation mediation pilot program.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawai'i continues to grow. According to research by Hawai'i Appleseed Center for Law and Economic Justice, there are an estimated 2,500 evictions filed each year across the state of Hawai'i.

Finding ways to resolve disputes between landlords and tenants and enhance housing stability benefits everyone. The pre-litigation mediation program will increase housing stability by

encouraging tenants and landlords to coordinate in conflict resolution, thus enabling tenants to remain housed and providing landlords with their rental income.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawai'i. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions.

The results of this Program, in a one-year period, are compelling:

- 1,660 landlord-tenant cases involving past due rent were mediated;
- 1,415 or 85% reached agreement enabling more than 1,140 tenants to remain in their residence.

It is clear that rent relief was important to the success of Act 57, and so was pre-litigation mediation. Early mediation helps the parties reach an agreement before extra costs are incurred in litigation causing positions to harden. The statistics bear this out. Even after rent relief expired, the Mediation Center of Hawaii ("MCP") continued with its pre-litigation mediation program. MCP reports it received 383 requests for early mediation, primarily from tenants. Not all of those requests were mediated because many landlords declined as they were not required to participate. Of the 383 requests, 119 tenants and landlords did mediate. 80 mediations reached agreement. That's 67% – a strong rate of success even without rent relief.

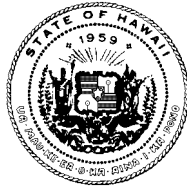
Like the Act 57 Program, Senate Bill No. 3332 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

Ideally, a pre-litigation mediation program helps keep tenants in their residences. In the alternative, it can help them with extra time to find another place they can afford.

Finally, evictions create large costs to taxpayers. According to estimates provided by the "Eviction Cost Calculator," developed by Innovation for Justice, a social justice-focused legal innovation lab, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs resulting in the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care and juvenile detention. Establishing a pre-litigation landlord-tenant mediation program can help reduce the social and financial harm caused by evictions.

Mahalo for the opportunity to testify on this important bill.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

February 6, 2024

TO: The Honorable Senator Jarrett Keohokalole, Chair
Senate Committee on Commerce & Consumer Protection

FROM: Cathy Betts, Director

SUBJECT: **SB 3331 – RELATING TO THE LANDLORD-TENANT CODE.**

Hearing: February 7, 2024, 9:40 a.m.
Conference Room 329, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure that supports mediation to address eviction proceedings. DHS defers to the Judiciary, the Department of Commerce & Consumer Affairs, and organizations that provide mediation and legal services. DHS respectfully requests an amendment.

PURPOSE: Beginning 11/1/2024, this bill extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule mediation; and requires landlords to provide specific information in the 10-calendar-day notice to tenants. Repeals 11/1/2026. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

DHS appreciates the Legislature's effort to incorporate the pre-litigation mediation program that is like the program established by Act 57, Session Laws of Hawaii 2021, during the COVID-19 pandemic. Hawaii's lack of affordable rental housing, especially for fixed- and low-income residents, keeps rents high and residents struggle to pay rent. It is well established that

housing stability is foundational to maintaining employment, success in school, and a resilient community. Preventing eviction allows families, especially with children, to remain in stable housing, allows children to continue to attend their community schools, and maintains their community social connections. Conversely, housing instability can result in long-term health outcomes, school and employment disruption, and increased family stress.

During the COVID-19 pandemic, mediation assisted many renters in avoiding eviction or allowed a negotiated move-out that avoided further judicial proceedings and judgments. The program also gave assurance to landlords that payment was forthcoming.

DHS respectfully requests an amendment to **delete** the provision on attorney's fees, starting at page 2, lines 20-page3, line 2,

"...the landlord may request payment of all costs, including reasonable attorney's fees, incurred during the pre-litigation mediation process."

Allowing landlords to request attorney's fees to include the pre-litigation process and the eviction process may serve as a chill on tenants' willingness to engage in the prelitigation process altogether if they may end up paying for the entire amount of the landlord's attorney's fees. Given the renters are already experiencing financial difficulties and are facing limited housing inventory, renters may not be able to locate an affordable rental to move into despite their good faith participation in pre-litigation mediation. Renters facing eviction, may just leave at the end of the tenancy and move to the beach or move into an overcrowded setting rather than incur an additional debt.

Lastly, providing funds for mediation services, civil legal services, and emergency rent relief programs will help residents and families who are back on rent or cannot afford high rental costs given Hawaii's general lack of low-income and affordable rental units.

Thank you for the opportunity to provide testimony on this measure.

Committee on Housing
Hearing Date: Wednesday, February 7, 2024

Submitted by The Mediation Center of the Pacific, Inc.
SB 3332 - Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

The Mediation Center of the Pacific is submitting testimony in STRONG SUPPORT OF SB 3332, which establishes and funds a pre-litigation mediation pilot program.

Evictions are harmful for everyone involved. Landlords and tenants both want stability in housing arrangements. For landlords, the process of eviction and finding new tenants is costly. For tenants and their families, the costs are even higher: A forced move may mean the loss of their security deposit and belongings, a change in schools, a longer commute to work, and a negative mark on their rental history that can make finding suitable housing more difficult. For some tenants, eviction will result in homelessness. Finding ways to resolve disputes between landlords and tenants and to increase housing stability benefits everyone. A pre-litigation mediation program supported by SB 3332 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawaii. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions. Through the Program, in a one-year period, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. Like the Act 57 Program, SB 3332 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

And while there are no longer robust rental assistance programs available to assist tenants and landlords, early mediation has still been proven successful. In 2023, with the support of grants from private foundations, The Mediation Center of the Pacific (MCP) on Oahu continued offering early eviction mediation. 119 tenants and landlords participated in early mediation, with 80 or 67%, percent reaching agreement. These statistics reinforce that early mediation makes a difference in helping tenants and landlords.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawaii continues to grow. On Oahu alone in 2023, MCP opened 1,285 landlord-tenant cases compared to only 433 landlord-tenant cases in 2019, prior to COVID. These high numbers underscore the need for a different approach to helping landlords and tenants and increasing housing stability.

Please PASS SB 3332, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.

A handwritten signature in black ink, appearing to read 'Tracey S. Wiltgen', with a stylized flourish at the end.

Tracey S. Wiltgen Executive Director
The Mediation Center of the Pacific, Inc.



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
Support for S.B. 3332 – Relating to Eviction Mediation
Senate Committee on Consumer Protection & Commerce
Friday, February 7, 2024, at 9:40AM, Conf. Rm. 229 and via Videoconference

Dear Chair Keohokalole, Vice Chair Fukunaga, and fellow committee members:

Thank you for the opportunity to express our support for the intent of this bill and offer our **COMMENTS on S.B. 3332**, which will establish a pre-litigation mediation. We also offer suggested amendments to provide rent relief attached to pre-litigation mediation.

Since the beginning of the COVID-19 pandemic in early 2020, Hawai'i established a temporary emergency rental assistance and landlord-tenant mediation program to prevent evictions and slow the spread of the COVID-19 virus. Combined, these programs have kept tens of thousands of families stably housed during the pandemic. SB3332 attempts to recreate the lessons learned from these programs, which were so effective during the pandemic but falters without rent relief.

Even as the health threats of the pandemic subside, **rent assistance remains a critical component to ensuring housing stability and preventing evictions**. There are an estimated 2,500 evictions filed each year across the state. Evictions are harmful to our housing ecosystem and the landlords who rely on rent payments and consistent tenants. Evictions are especially harmful to the individual or family losing their home and in severe cases can lead to homelessness. The cost of eviction on individuals and households include, but is not limited to: interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and; impaired legal records which make it harder to find future housing. Without rent relief, mediation services are simply “kicking the can down the road” until the tenant is either evicted or self evicts.

Evictions also create large public costs. According to estimates provided by the "Eviction Cost Calculator", developed by Innovation for Justice, a social justice-focused legal innovation lab housed at both Arizona Law and University of Utah School of Business, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs. These costs result from the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care and juvenile detention. According to research by Hawai'i Appleseed Center, **for every tax dollar spent on rental assistance and landlord-tenant mediation programs, the public saves six dollars on homeless services**. Ten states have implemented permanent rent relief and assistance programs, below are examples with appropriations and funding mechanisms that these states have utilized to continue rent relief programs:

- Connecticut, “Rent Bank Program”, \$1.5M FY23, Community Investment Account
- Washington D.C., “Emergency Rental Assistance Program”, \$50M FY23; FY24 \$2.2M, State and Local Appropriations
- Massachusetts, “RAFT Program”, \$190M FY24, state budget
- Maryland, “Rental Allowance Program”, \$2M FY24, General Fund

- Minnesota, “Family Homeless Prevention and Assistance Program”, \$50M FY23; \$55M FY24; \$10M FY25, General Fund
- New Jersey (all municipalities), “Comprehensive Eviction Defense and Diversion (CEDD) Program”, \$7.4M FY23, ARPA
- New York, Emergency Rental Assistance Program; \$389M FY23, General Fund
- Multnomah County (OR), Emergency Rental Assistance, \$3.6M FY24, ARPA Direct County Funding
- Virginia, Virginia Eviction Reduction Pilot, \$2.9M CY23
- King County (WA), “Keep King County Housed”, \$20M FY23, State Document Recording Fees

To strengthen and further the impact of SB3332, Hawai'i Appleseed recommends including language from HB1439, Part II which establishes a rent relief program attached to pre-litigation landlord tenant mediation. Adding a section for rent relief is likely to make the program more effective, and will give tenants the necessary time to attain financial stability instead of simply delaying the eviction process. Mediation can only do so much to keep a tenant housed if it does not have rent relief attached to it.

We understand the total appropriation for the judiciary to contract for mediation services is blank in the current draft, and we want to emphasize the importance of including sufficient amounts for the administration of the program to cover the “true costs” of the administering entities. Ideally, funding will also be included for the provision of navigator services that can assist tenants with finding ways to attain financial stability and rent relief to make the program stronger.

Establishing a rental assistance and landlord-tenant mediation program is a necessary step to reduce the social and financial harm caused by evictions. Please **AMEND SB3332 with a section for rent relief**, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 3332 RELATING TO EVICTION MEDIATION

TO: Senate Committee on Commerce and Consumer Protection
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
Hearing: **Wednesday, 2/7/24; 9:40 AM; Room 229 and Videoconference**

Chair Keohokalole, Vice Chair Fukunaga, and Members, Committee on Commerce and Consumer Protection::

Thank you for the opportunity to testify in support of **SB 3332**, which establishes and funds a pre-litigation mediation pilot program. I am Rob Van Tassell, with Catholic Charities Hawai'i. **We also urge you to add a rent-relief program to this measure to more effectively prevent evictions.**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 75 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

To effectively end homelessness, Hawai'i must focus on prevention. Currently, many people who are experiencing homelessness are successfully placed into permanent housing. However, it may seem as if nothing is being done since more families, elders, and individuals fall into homelessness, replacing those who have been housed. Families who are evicted are at high risk for homelessness. Historically, Hawai'i has had about 2,500 evictions filed with the courts each year. The eviction prevention programs developed during the pandemic demonstrated that these programs can work to keep tenants housed.

Catholic Charities Hawai'i urges you to **include a rent-relief program to this pre-litigation mediation program**. Both tenants and landlords must benefit from this process to enable tenants to remain in housing. The key for landlords is to get the rent due to them. Without the possibility of rent relief, this may just drag out the eviction process. This would add more stress and trauma for both tenants and landlords.

Hawai'i's people depend on all of us to continue to pay attention to the high personal and systems costs for eviction. The community costs are great. An estimated \$30 million in public and emergency services are needed due to evictions. Let's close the spigot and reduce the flow of families into homelessness.

Catholic Charities Hawai'i appreciates the funding in this bill for the Judiciary to contract for mediation services. We urge you to add funding for rent relief to make mediation truly effective and a win-win for both parties. If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
Phone (808) 527-4813 •





February 7, 2024

Members of the Senate Committee on Commerce and Consumer Protection:

Chair Jarrett Keohokalole
Vice Chair Carol Fukunaga
Sen. Angus L.K. McKelvey
Sen. Herbert M. Richards III
Sen. Brenton Awa

Re: SB3332 Relating to Eviction Mediation

Dear Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committee on Commerce and Consumer Protection:

The Hawai'i State Coalition Against Domestic Violence (HSCADV) addresses the social, political, and economic impacts of domestic violence on individuals, families, and communities. We are a statewide partnership of domestic violence programs and shelters.

On behalf of HSCADV and our 27 member programs statewide, I respectfully submit testimony in strong support of SB3332, which establishes and funds a pre-litigation mediation pilot program. We are a HiHAC - Hawai'i Housing Affordability Coalition member and support their recommended amendments.

Survivors of domestic violence face many challenges when making decisions about their safety. One of the most crucial factors is housing. The ability to find safe and affordable housing is a key economic consideration for survivors when deciding to leave an abusive partner. It's important to recognize the impact of housing insecurity on survivors and to support them in any way possible. Domestic violence is a leading cause of homelessness. Nationwide, between 22 and 57% of all homeless women report that domestic violence was the immediate cause of their homelessness.¹ Both the O'ahu and Bridging the Gap (for the neighbor islands) Point in Time Count surveys saw an increased trend in the number of people

¹ Wilder Research Center, Homelessness in Minnesota 2003 22 (2004); Center for Impact Research, Pathways to and from Homelessness: Women and Children in Chicago Shelters 3 (2004); Nat'l Center on Family Homelessness & Health Care for the Homeless Clinicians' Network, Social Supports for Homeless Mothers, 14 26 (2003); Inst. For Children & Poverty, The Hidden Migration: Why New York City Shelters Are Overflowing with Families (2004); Homes for the Homeless & Inst. For Children & Poverty, Ten Cities 1997-1998: A Snapshot of Family Homelessness Across America 3 (1998); Virginia Coalition for the Homeless, 1995 Shelter Provider Survey (1995)(out of print), cited in Nat'l Coalition for the Homeless, Domestic Violence and Homelessness: NCH Fact Sheet #8 (1999).



who had experienced domestic violence. In the 2023 “O’ahu Point in Time Count,” domestic violence survivors accounted for 23% of all unsheltered surveyed adults. Survivors of domestic violence are vulnerable to unfair evictions due to the actions of their abusive partners.

The cost of eviction on individuals and households includes but is not limited to: interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and impaired legal records which make it harder to find future housing. Evictions also further exacerbate the cases of homelessness which creates large public costs. These costs result from the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care services. According to estimates provided by the "Eviction Cost Calculator", developed by Innovation for Justice, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs.

As a result of the COVID-19 pandemic and to mitigate the spread of the virus, Hawai'i established a temporary emergency rental assistance and landlord-tenant mediation program to prevent evictions. These programs combined kept over 13,000 families stably housed during the pandemic and were one of the most successful eviction-prevention programs in the nation. Having both tools available for landlords and tenants who went through mediation resulted in 87% of eviction cases settling, compared to the norm of 47%.

With SB3332, we commend the legislature for replicating the mediation program that proved highly effective during the pandemic. However, the absence of a rent assistance program will undermine its effectiveness in preventing evictions and maintaining housing stability. Establishing a rental assistance and landlord-tenant mediation program is necessary to reduce the social and financial harm caused by evictions. Please pass SB3332 and consider HiHAC's suggestions to help prevent evictions and keep our community housed.

Thank you for the opportunity to testify on this important matter.

Sincerely,
Angelina Mercado, Executive Director



Hawai'i Housing Affordability Coalition

LATE

Testimony of the Hawai'i Housing Affordability Coalition
Support for S.B. 3332 – Relating to Eviction Mediation
Senate Committee on Commerce and Consumer Protection
Wednesday, February 7, 2024, at 9:40AM, Conf. Rm. 229 and via Videoconference

Dear Chair Keohokalole, Vice Chair Fukunaga and fellow committee members:

HiHAC is submitting testimony in SUPPORT OF SB3332, which establishes and funds a pre-litigation mediation pilot program. We also provide suggested amendments to strengthen the legislation.

Evictions carry detrimental consequences that extend beyond the immediate displacement of households. They disrupt communities, strain social services, undermine economic stability, and perpetuate cycles of poverty and inequality.

The cost of eviction on individuals and households includes but is not limited to: interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and impaired legal records which make it harder to find future housing. Evictions also further exacerbate the cases of homelessness which creates large public costs. These costs result from the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care services. According to estimates provided by the "Eviction Cost Calculator", developed by Innovation for Justice, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs.

As a result of the Covid-19 pandemic and to mitigate the spread of the virus, Hawai'i established a temporary emergency rental assistance and landlord-tenant mediation program to prevent evictions. These programs combined kept over 13,000 families stably housed during the pandemic and was one of the most successful eviction-prevention programs in the nation. Having both tools available for landlords and tenants who went through mediation resulted in 87% of eviction cases settling, compared to the norm of 47%.

With SB3332, we commend the legislature for replicating the mediation program that proved highly effective during the pandemic. However, the absence of a rent assistance program attached will undermine its effectiveness in preventing evictions and maintaining housing stability.

Therefore, to strengthen and further the impact of SB3332, **HiHAC recommends including language which establishes a rent relief program attached to pre-litigation landlord tenant mediation.** Rent relief should include payments to cover both outstanding arrears and supplement payments for future rent. If not included, it may simply just delay the eviction process. It's important to offer households the necessary time and resources to attain financial stability, thereby mitigating the risk of future evictions. According to research by Hawai'i



Hawai'i Housing Affordability Coalition

Appleseed Center, for **every tax dollar spent on rental assistance and landlord-tenant mediation programs, the public saves six dollars on homeless services.**

Establishing a rental assistance and landlord-tenant mediation program is a necessary step to reduce the social and financial harm caused by evictions. Please **PASS SB3332 and consider the suggestions above**, to help prevent evictions and keep our community housed.

Mahalo for the opportunity to testify,

HiHAC
Hawai'i Housing Affordability Coalition

LATE

Testimony For SB 3332 – Relating to Eviction Mediation

By

**Emma Lazo Ladendecker JD
Director, Mediation Program
Kauai Economic Opportunity, Incorporated (KEO)**

January 6, 2024

**Aloha Members of the Senate Committee on Commerce and Consumer Protection,
Senator Keohokalole, Senator Fukunaga:**

First, thank you for all of the vital work that you all do. Your work affects so many essential needs of Hawaii residents. KEO, Inc. has done its share of providing supportive testimony before the Legislature for what we believe to be important to our community. And SB 3332 is one where we come to you all today to show our strong support for this bill relating to eviction mediation which seeks to establish and fund a pre-litigation mediation pilot program.

It is a MUCH-NEEDED program for many of our residents especially coming out of the Covid years (and not forgetting that it continues, at lesser extent). Many residents remain out of work or are working less hours, and/or just getting back on their feet. With housing being one of the necessary expenses for a family or individuals, one can feel the ramifications of not having enough to pay rent. Add to the equation for people in low-income housing and/or those using HUD vouchers; it becomes burdensome to quite a few of your constituents.

I am giving my written testimony as the current Director of the KEO Mediation Program under the leadership of our CEO, MaBel Ferreiro Fujiuchi. I come before you to testify in support of SB 3332. Below is the history of KEO, a non-profit organization that currently provides many programs for people in need. I provide this history so you know that KEO has seen, first hand over a lot of years, many programs that have worked and remain working to provide much-needed relief. And this eviction pilot program is one that would give such relief to all rental residents of our state including Kauai.

I wish to share with you a story of a 3-member Kauai family whom I was assisting with their eviction notice. The landlord filed with the District Court the notice of eviction through its lawyers generating court fees and costs and attorney's fees. These fees, and interest charged for the late rents, are added to the back rent they owed. All in all, they had to come up with around \$4,000 in addition to paying their monthly rent to stay current. Now they must pay their monthly rent to the court's trust fund, and if late or no payment is received, the family is then subjected to a Judgment of Possession and a Writ of Execution (a nightmare to those holding HUD vouchers). I assisted the family in calling numerous agencies for assistance; none could. I met with the head of household/Dad to see when he would be paid, how many hours he would work, etc. The partner/Mom had lost her

job. They have an 8-year-old daughter. To make a long story short and to remove the emotions this family had to go through, the dad could not take the burden of not being able to fend for his family – he took his life in the apartment unit he could not pay. I don't believe he was even 40 yrs old. While one may say, well this is an exception. But the fact that it happened remains a tragedy.

And one more thing, for landlords to retain attorneys and add the fees and costs to the past-due rents with interest is an outrage! This program would remove that and place such fees and costs to be borne by each party. In this way, there should be minimal costs to the defendants.

KEO HISTORY: Kauai Economic Opportunity, Incorporated (KEO) is the statutorily designated Community Action Agency for Kauai County established in 1965. KEO, has since 1965, provided many services addressing individual and community needs including employment, education for pre-school aged to adults, housing, homeless programs, transportation, drug prevention, health, nutrition, outreach, community organization and planning, and many more programs and projects. In addition to the Mediation Program, KEO also currently provides services for approximately 5,000 individuals annually on Kauai in the areas/programs such as Homeless Emergency and Transitional Shelters, Transitional Housing, Group Homes, Homebound and Congregate Meals for Elderly, Persons in Needs funds, Energy and Weatherization Services, Health Equity Education and Mitigation Services in response to COVID 19, Food and Nutrition, and Special Projects. KEO administers Federal, State, County and Private funding sources to support all of its programs.

KEO MEDIATION PROGRAM HISTORY: KEO initiated its Mediation Program for the residents of Kauai in 1982, funded Federally via the Law Enforcement Administration Agency and has been able to continue the program in its present time, in a large part, through its partnership, collaboration and membership with the Mediation Centers of Hawaii (MCH). KEO was one of the Founding Partners of MCH 32 years ago which provided quality, stabilization, organization, education, training, and the strength of a statewide organization. The member Mediation Centers located on each of the major islands receive the benefits of MCH including the State of HI Judiciary Contract with MCH for Mediation Services.

Mediation is an essential need in the community to resolve disputes other than at the courthouse steps. As other members of Mediation Centers of Hawaii (MCH) serve their islands, KEO services the island of Kauai by providing Mediation Services both in Court, District Court of the 5th Circuit, and the Community at large. Community cases such as landlord/tenant (which recently included the need of the Eviction Diversion Mediation Services to prevent homelessness and promote humanness), employer/employee, family and domestic issues, neighbor disputes, business concerns, civil rights disputes, real estate and condominium disputes, and other disputes.

I cannot underscore how important this pilot program under SS 3392 would be to many Hawaii residents. It would allow for statewide pre-litigation eviction mediation assisting those in immediate need, as well as preventing homelessness, and other dire consequences. This pilot eviction mediation program would have changed the story of the Kauai family.

KEO and I ask for your support of this bill. Mahalo for the opportunity to present my testimony, and humbly ask for your serious consideration in supporting SB 3332.

For any questions and comments, please do not hesitate to let me know.

Sincerely,

**Emma Lazo Ladendecker, JD
Director, Mediation Program
Kauai Economic Opportunity, Incorporated
2804 Wehe Road
Lihue HI 96766
Work: (808) 245-4077 x 234
E-mail: mediationdirector@keoinc.org
<http://www.keoinc.org>**

CONFIDENTIALITY NOTICE: This message and all attachments are confidential or proprietary of Kauai Economic Opportunity, Inc. and disclosure, use or distribution to anyone other than the intended recipient without prior written permission of Kauai Economic Opportunity, Inc., is prohibited. This message and any attachments may contain confidential health information that is protected by law. This information is intended only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, or distribution is strictly prohibited. If you think you have received this message in error, please notify sender by reply to this e-mail and delete the message.

Committee on Consumer Protection & Commerce
Hearing Date: Wednesday, February 7, 2024

LATE

Submitted by Charles J. Buckla
SB 3331 – Relating to the Landlord – Tenant

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

I am submitting testimony in STRONG SUPPORT OF SB 3331, which establishes and funds a pre-litigation mediation program.

Over 7,000 people on Maui need shelter as a result of the Lahaina wildfires. Combined with high rents, scarce inventory, and high demand, housing insecurity on Maui is at an all time high according to press reports. While the Governor's eviction moratorium offers temporary protection, once lifted, hundreds of evictions are envisioned, with suffering families potentially homeless. SB 3331, creating an early landlord-tenant mediation program, is an opportunity to negotiate agreements that keep tenants housed and paying landlords rent that is owed.

In 2021, Act 57 was implemented after the pandemic era eviction moratorium was lifted. During the one-year period it was in effect, over 1600 cases involving past due rent were mediated, resulting in over 1,140 tenants and their families being able to remain in their residence. SB 3331 is modeled after Act 57.

As a volunteer mediator on Oahu, I have personally witnessed the impact of eviction on both tenants and landlords. In my experience, the earlier tenants and landlords can mediate, the more likely the tenants will be able to remain in their homes and pay back rent that is owed.

I urge you to pass SB 3331 so we can help prevent a flood of evictions on Maui when the moratorium ends. Just like we did on Oahu with Act 57.

Respectfully,
Charles J. Buckla
Aiea, Hawaii
February 6, 2024

T



BOARD OF DIRECTORS

PRESIDENT
Shaunda A.K. Liu
Makaimoku

VICE PRESIDENT
Sandra Tokuuke

TREASURER
James Kunimura

SECRETARY
Rebecca Choi

DIRECTORS
Haidee Abe
Rev. Eric S. Anderson
Julie Hugo
Ha'aheo Kaho'ohalahala
Kimberly Lin
Cathy Lowder
Cheryl Matsumura
Jessica Uchida

DIRECTORS EMERIT
Andrew Wilson
Jennifer Zelko-Schlueter

STAFF

EXECUTIVE DIRECTOR
Julie Mitchell

CASE MANAGER
Molly O'Quinn

LANDLORD TENANT MEDIATION SPECIALIST
Erika Ginnis

ADMINISTRATIVE & PROGRAM ASSISTANT
Kaitlyn Lacombe

Testimony to: Senate Committee on Commerce and Consumer Protection

Submitted by: Ku'ikahi Mediation Center

Hearing Date: Wednesday, February 7, 2024 at 9:40 am

Hearing Place: Videoconference, Conference Room 229, State Capitol

RE: Strong Support of SB 3332, Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

As a local non-profit organization, we **strongly encourage you to support SB 3332**, which will promote housing stability by establishing a free landlord/tenant pre-litigation mediation diversion pilot program that will help avoid eviction and maintain stable tenancies.

Because of the COVID pandemic, Hawai'i established a one-year Act 57 Landlord Tenant Eviction Mediation Program to slow the spread of COVID and prevent a "tsunami" of evictions. This program, combined with Emergency Rental Assistance Programs (ERAP), successfully kept tens of thousands of families across the state stably housed during the pandemic.

According to research by Hawai'i Applesseed Center for Law and Economic Justice, an estimated 2,500 evictions are filed each year across the state. Evictions are harmful to our housing ecosystem and the landlords who rely on rent payments and consistent tenants. Evictions are especially harmful to the individual or family losing their home and can lead to homelessness. The cost of eviction on individuals and households includes, but is not limited to: interrupted employment and schooling leading to a loss of wages; negative health impacts, such as anxiety and depression; and impaired legal records and credit histories which make it harder to find future housing.

According to estimates provided by the "Eviction Cost Calculator," developed by Innovation for Justice, a social justice-focused legal innovation lab housed at both Arizona Law and University of Utah School of Business, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs. These costs result from the increased need for emergency shelters, in-patient care emergency room at hospitals, and foster care and juvenile detention. According to research by Hawai'i Applesseed Center, for every tax dollar spent on rental assistance and landlord/tenant mediation programs, the public saves six dollars on homeless services.

In the County of Hawai'i, Ku'ikahi Mediation Center (KMC) and West Hawai'i Mediation (WHMC), worked jointly on the Act 57 Statewide Landlord Tenant Eviction Mediation Program during the period of August 7, 2021 to August 6, 2022.

a partner agency of the



Ku'ikahi Mediation Center is a 501(c)(3) nonprofit organization, donations to which are tax-deductible. We welcome your support!



BOARD OF DIRECTORS

PRESIDENT
Shaunda A.K. Liu
Makaimoku

VICE PRESIDENT
Sandra Tokube

TREASURER
James Kunimura

SECRETARY
Rebecca Choi

DIRECTORS
Haidee Abe
Rev. Eric S. Anderson
Julie Hugo
Ha'aheo Kaho'ohalahala
Kimberly Lin
Cathy Lowder
Cheryl Matsumura
Jessica Uchida

DIRECTORS EMERIT
Andrew Wilson
Jennifer Zelko-Schlueter

STAFF

EXECUTIVE DIRECTOR
Julie Mitchell

CASE MANAGER
Molly O'Quinn

LANDLORD TENANT MEDIATION SPECIALIST
Erika Ginnis

ADMINISTRATIVE & PROGRAM ASSISTANT
Kaitlyn Lacombe

Of the 285 Act 57 landlord/tenant cases received via 15-day eviction notices by KMC and WHMC, 53% mediated. Of the cases that mediated, 79% were resolved and 21% were not resolved. Of the cases that did not mediate, 72% conciliated or settled prior to mediation (largely due to the receipt of rental assistance), 22% had tenants chose not to mediate, and 6% were closed for other reasons (e.g., unable to reach tenant). Thus, 76% of all 285 Act 57 landlord/tenant cases were successfully resolved, either through mediated agreements or conciliations and settlements prior to mediation.

Pre-filing programs are more successful at connecting tenants with resources than downstream interventions. Eviction diversion aims to prevent evictions from reaching the courts and diverts existing cases away from formal legal proceedings in the hopes of reducing harm and increasing housing stability.

According to nationwide studies by the Harvard Dispute System Design Clinic, research shows that there is support for eviction diversion programs. Although most landlords have no experience with mediation, a majority of those surveyed agreed that it would "more efficient" than going to court. Despite lack of familiarity, nearly three-quarters of landlords surveyed were more inclined to resolve housing disputes with tenants outside of court.

Establishing a statewide landlord/tenant mediation diversion pilot program is crucial step to reduce the social and financial harm caused by evictions, which negatively affect both landlords and tenants. The goal of eviction diversion goes beyond finding immediate solutions for owners and renters, it is also about keeping people housed in a safe and stable way.

We strongly urge you to pass this legislation. Thank you for reading this testimony.

Mahalo,

Julie Mitchell
Executive Director

a partner agency of the



Ku'ikahi Mediation Center is a 501(c)(3) nonprofit organization, donations to which are tax-deductible. We welcome your support!

February 7, 2024

The Honorable Jarrett Keohokalole, Chair

Senate Committee on Commerce and Consumer Protection
State Capitol, Conference Room 229 & Videoconference

RE: Senate Bill 3332, Relating to Eviction Mediation

HEARING: Wednesday, February 7, 2024, at 9:40 a.m.

Aloha Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 11,000 members. HAR provides **comments** on Senate Bill 3332, which beginning 11/1/2024, extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule mediation; and requires landlords to provide specific information in the 10-calendar-day notice to tenants. Repeals 11/1/2026. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

We appreciate the intent of this measure and support peaceful and expeditious mediation coupled with rent relief to aid struggling tenants. During the COVID-19 pandemic when there was an eviction moratorium, Act 57 was passed to create a mediation process for housing providers and tenants to engage in. A large part of the success of the program was that emergency rent relief was available and it was often paid directly to the housing provider. This helped both tenants struggling to make their rent payments as well as housing providers who may have mortgage payments. **Without emergency rent relief, the mediation process alone may not help these tenants who are struggling to pay rent.**

HAR would also recommend that this measure require tenants to participate in mediation as well as landlords to avoid delays and encourage both parties to find resolution.

Additionally, the proposed measure extends the notice period for unpaid rent from 5 business days to 10 calendar days. However, it lacks a specific timeframe for completing mediation. Extending the notice period without setting a fixed mediation completion deadline could further prolong the process.

Mahalo for the opportunity to provide comments on this measure.

SB-3332

Submitted on: 2/5/2024 9:34:48 PM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandon Madix	Testifying for Palehua Townhouse Association	Support	Written Testimony Only

Comments:

Our association supports SB3332. Please pass SB 3332, to help prevent evictions and keep our island residents housed.

Mike Golojuch, Pressident

SB-3332

Submitted on: 2/6/2024 9:36:32 AM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Lisa Jacobs	Testifying for Mediation Center of the Pacific, Inc.	Support	Written Testimony Only

Comments:

Committee on Consumer Protection & Commerce

Hearing Date: Wednesday, February 7, 2024

Submitted by Lisa Jacobs, Esq., Volunteer Mediator at The Mediation Center of the Pacific, Inc. and private solo practitioner Mediator and Collaborative Attorney

SB 3332 - Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

In my capacity as a volunteer Mediator at The Mediation Center of the Pacific, I am submitting testimony in STRONG SUPPORT OF SB3332, which establishes and funds a pre-litigation mediation pilot program.

I have been an attorney in Hawai'i for almost 30 years. In 2012, I opened up my own private solo practitioner mediation and collaborative law office, and I also started volunteering as a mediator at the Mediation Center of the Pacific. In my earlier years as an attorney for a large law firm in Honolulu, I handled some landlord-tenant litigation work, which had included going to trial and even overseeing an actual eviction process. Being part of a litigated landlord-tenant process was tough on everyone.

As my legal career had matured, I have arrived at the conclusion that mediation is a more effective process to resolve many types of conflicts, including landlord-tenant cases, along with other situations where it may be important or necessary for the parties to have an ongoing relationship. Both as a Volunteer Mediator at the Mediation Center of the Pacific, and also as a private Mediator with my own Mediation and Collaborative Law practice, I have been a part of hundreds of successful mediations where people could discuss their differences, reach an agreement, and then move forward in their lives with realistic plans. I strongly believe that conflicts between landlords and tenants should first try to be settled using mediation, INSTEAD OF litigation being the first step.

SB 3332 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

Please PASS SB 3332, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.

Lisa Jacobs, Esq., for the Mediation Center of the Pacific, Inc.

Committee on Commerce & Consumer Protection
Hearing Date: Friday, February 6, 2024

Submitted by Laurie Arial Tochiki
SB3332 - Relating to Eviction Mediation

Dear Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

I am writing to express my STRONG SUPPORT OF SB 3332, which establishes and funds a pre-litigation mediation pilot program.

I serve as Chair of the Board of Directors of the Mediation Centers of Hawai'i. The Mediation Centers of Hawai'i unites the Mediation Centers across the state in order work collaboratively and to promote the effectiveness of mediation processes to solve many problems that face members of our community every day.

In response to the pandemic, an eviction mediation program was established to stem the negative consequences of evictions. We learned a lot in that process, including the tremendous impact the program had helping tenants and landlords. Both landlords and tenants benefit from stability in housing arrangements. Both landlords and tenants benefit from curtailing the cost of eviction litigation. The community benefits because housing stability is a critical issue in Hawai'i.

A pre-litigation mediation program supported by SB 3332 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income.

In a one year period starting in 2021, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. We will benefit from the continuation of this program. HB 2642 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

This is an urgent problem affecting more than 2000 individuals and families in Hawai'i each year. Please PASS SB3332, to help prevent evictions and keep our island residents housed.

Mahalo,
Laurie Arial Tochiki, JD, Ph.D

SB-3332

Submitted on: 2/5/2024 8:32:14 PM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert A Marks	Individual	Support	Written Testimony Only

Comments:

Chair and members - the mediation program put in place during the pandemic shows the positive influence of mediation on evictions. Please pass this measure to promote the possibility for positive outcomes in future evictions.

Respectfully submitted,

Robert Marks

Committee on Housing
Hearing Date: Wednesday, February 7, 2024

Submitted by Kellie Chun
SB 3332 - Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

I am submitting testimony in STRONG SUPPORT OF SB 3332, which establishes and funds a pre-litigation mediation pilot program.

Evictions are devastating for landlord, tenants and their families. The goal for both parties is to have stable living/housing arrangements they can count on. Landlord experience the cost of finding tenants and maintaining their properties, while tenants and their families will have situations where the cost is even greater. Evictions will mean they will incur the costs of leaving their personal belongings, finding schools and transportation for their children, possibly longer commutes to work or further from their children's school, and creating a black mark on their rental history. The circular cycle will further create instability for the tenant to find suitable housing.

The cost could also result in eviction which further creates obstacles for the tenants to secure a job, to pay for any legal bills to pay for disputes and all while the tenant may still be unable to find housing. Homelessness, even with the discomfort and challenges that may bring, becomes the only option for many. Finding ways to resolve disputes between landlords and tenants and to increase housing stability benefits everyone.

There are options such as a pre-litigation mediation program supported by SB 3332 will increase housing stability through process which encourages tenants and landlords to work out agreements early, to ensure landlords will receive rental income and the tenant remains housed.

Recognizing there are no longer robust rental assistant programs as an available option for landlords or tenants, pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawaii. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions. In one year, the program was able to mediate 1,660 landlord-tenant cases past due rents, all of which 1,415 or 85% reached an agreement that enabled more than 1,140 tenants to remain in their residence.

Aligned with Act 57 Program, SB 3332 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

By the results presented above, it is clear that early mediation has still been proven successful. In 2023, with the support of grants from private foundations, The Mediation Center of the Pacific (MCP) on Oahu continued offering early eviction mediation. 119 tenants and landlords participated in early mediation, with 80 or 67%, percent reaching agreement. These statistics reinforce that early mediation makes a difference in helping tenants and landlords.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawaii continues to grow. On Oahu alone in 2023, MCP opened 1,285 landlord-tenant cases compared to only 433 landlord-tenant cases in 2019, prior to COVID. These high numbers underscore the need for a different approach to helping landlords and tenants and increasing housing stability.

Please PASS SB 3332, to help prevent evictions and keep our island residents housed.

Thank you for the opportunity to testify.

Kellie Chun.

SB-3332

Submitted on: 2/5/2024 9:01:14 PM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Louis Erteschik	Testifying for Hawaii Disability Rights Center	Support	Written Testimony Only

Comments:

We receive many calls from people with disabilities who are being evicted for a variety of reasons. We believe that a mediation program would definitely be a big help to them.

Committee on Housing
Hearing Date: Wednesday, February 7, 2024

Submitted by The Mediation Center of the Pacific, Inc.
SB 3332 - Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

I am submitting testimony in STRONG SUPPORT OF HB 2642, which establishes and funds a pre-litigation mediation pilot program.

Eviction is a traumatizing and destabilizing event that can put families on a path to financial, health, and social challenges. After an eviction, families often struggle to find high-quality housing and may end up in a less safe neighborhood with fewer opportunities. Parents may lose their jobs because of the instability that evictions create and have difficulty finding a new one, further exacerbating the crisis (Desmond and Gershenson 2016). Children can be forced to move to new schools or experience other educational disruptions, which in turn can negatively affect their achievement (Clark 2016; Vásquez-Vera et al. 2017). Therefore, intervening during or before an eviction crisis occurs is key for reducing the hardships that families face, and mediation has been an important tool for empowering better outcomes. [Getting Landlords and Tenants to Talk: The Use of Mediation in Eviction](https://www.urban.org/sites/default/files/publication/101991/getting-landlords-and-tenants-to-talk_3.pdf); Bieretz, Burrowes and Bramhall, Urban Institute, Apr. 2020. https://www.urban.org/sites/default/files/publication/101991/getting-landlords-and-tenants-to-talk_3.pdf.

Eviction mediation programs, such as Hawai'i's act 57 program in 2021 that has become a national model, and programs in other states and cities, including Illinois, Florida, North Carolina, Palo Alto, Philadelphia, San Francisco and others, have proven exceptionally cost-effective in achieving a high level of mutual benefits and savings of time and money for both landlords and tenants, and of great savings of expense and disruption for the communities and states as well. <https://www.nlc.org/article/2020/08/07/long-term-approaches-to-preventing-evictions-now-and-beyond-covid-19/>.

Evictions are harmful for everyone involved. Landlords and tenants both want stability in housing arrangements. For landlords, the process of eviction and finding new tenants is costly. For tenants and their families, the financial and personal costs are even higher: A forced move may mean the loss of their security deposit and belongings, a change in schools, a longer commute to work, and a negative mark on their rental history that can make finding suitable housing more difficult. For some tenants, eviction can result in homelessness, loss of employment, health issues, and other adverse effects. Finding expedited, low-cost, objectively fair ways to resolve disputes between landlords and tenants and to increase housing stability benefits everyone. A pre-litigation mediation program supported by HB 2642 will increase housing stability and minimize adverse effects for landlords, tenants and the community by neutral mediators' facilitating tenants' and landlords' working out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income, enabling financial and personal stability for both.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawai'i. In 2021, in response to the ending of the moratorium on evictions and the

creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions. Through the Program, in a one-year period, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. Like the Act 57 Program, HB 2642 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawaii continues to grow. According to research by Hawai'i Appleseed Center for Law and Economic Justice, there are an estimated 2,500 evictions filed each year across the state of Hawaii. Evictions are harmful to the housing ecosystem and the landlords who rely on rent payments and consistent tenants. Evictions are especially harmful to the individual or family losing their home and in severe cases can lead to homelessness. The cost of eviction on individuals and households includes but is not limited to interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and impaired legal records which make it harder to find future housing. A pre-litigation mediation program is needed to keep tenants in their residences or alternately provide them with sufficient time to find an alternate location they can afford.

Finally, evictions also create large public costs. According to estimates provided by the "Eviction Cost Calculator", developed by Innovation for Justice, a social justice-focused legal innovation lab housed at both Arizona Law and University of Utah School of Business, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs. These costs result from the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care and juvenile detention. Establishing a pre-litigation landlord-tenant mediation program is a necessary step to reduce the social and financial harm caused by evictions.

Having been a civil litigation attorney here from 1978 to 2014, and having been a civil and public policy mediator and arbitrator here since 1985, and personally familiar with the practice of mediation here, including in eviction and landlord-tenant cases, and with the exemplary mediation services and management provided here by The Mediation Center of the Pacific, Ku'ikahi Mediation Center, Dispute Prevention & Resolution, Inc. and others, I can affirm from personal knowledge that the level, scope and value of mediation professionals and services here, including in eviction and landlord-tenant mediation, and the mediation eviction program that The Mediation Center of the Pacific serviced in 2021, are among the very best in the country, and have earned and well deserve national respect, recognition and admiration. There could be no better choice and investment for the cost-effective, fair, and exceptionally beneficial management and resolution of eviction cases in Hawai'i than that offered under HB 2642.

There could be no better return on the investment in that eviction mediation program than the social, financial, personal and community benefits, both tangible and intangible, that that eviction mediation program can provide.

Please PASS SB 3332, to help prevent evictions and keep our island residents housed, and for the substantial and established benefits for landlords, tenants and the community.

Mahalo for the opportunity to testify.

Respectfully submitted,

Charles W. Crumpton

Mediator

1251 Heulu St. #1001

Honolulu, HI 96822-3087

PH: (808) 284-9209

E-mail: crumpton@chjustice.com

SB-3332

Submitted on: 2/5/2024 10:59:28 AM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Eviction mediation, when paired with adequate rent relief, is a proven strategy for preventing new cases of houselessness from occurring by keeping people housed. During the pandemic, the combination of mediation and rent relief funds prevented a spike in evictions. But as housing costs continue to rise and wages continue to remain chronically low (compared to our cost of living), people are still being priced out of their homes.

While this bill is a good step, in that it creates and funds a mediation program and adds some other safeguards, it lacks a corresponding rent relief fund.

Research shows that mediation is most successful when landlords know they will be able to be compensated for unpaid rent via emergency rent relief funds. When landlords do not have this assurance, they are much less likely to stick with mediation, accept its results, and refrain from filing eviction cases in court. This is key to stopping eviction from proceeding, because research also shows that once a landlord has filed in court, they are unlikely to accept any other outcome other than eviction.

Please add in a section that creates a permanent rent relief fund to be paired with the mediation pilot program. The fund does not need to be very large, but will ensure the pilot program succeeds at its optimal level. Mahalo.

SB-3332

Submitted on: 2/6/2024 8:42:18 AM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Polk	Individual	Support	Written Testimony Only

Comments:

As a landlord and a mediator, I STRONGLY SUPPORT the requirement that mediation should be held prior to eviction. Landlords do not necessarily know the issues of their tenants, and the opportunity to discuss the situation in person in a mediation session, is beneficial to both. I urge you to amend, as may be necessary, SB3332 and pass it.

LATE

SB-3332

Submitted on: 2/6/2024 9:43:42 AM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Lindsey A Drayer	Individual	Support	Written Testimony Only

Comments:

I support this, thank you, Lindsey Drayer

LATE

SB-3332

Submitted on: 2/6/2024 12:37:09 PM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Poranee Sponsel	Individual	Support	Written Testimony Only

Comments:

Committee on Housing

Hearing Date: Wednesday, February 7, 2024

Submitted by Poranee Sponsel, Ed.D

SB 3332 - Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

The Mediation Center of the Pacific is submitting testimony in STRONG SUPPORT OF SB 3332, which establishes and funds a pre-litigation mediation pilot program.

Evictions are harmful for everyone involved. Landlords and tenants both want stability in housing arrangements. For landlords, the process of eviction and finding new tenants is costly. For tenants and their families, the costs are even higher: A forced move may mean the loss of their security deposit and belongings, a change in schools, a longer commute to work, and a negative mark on their rental history that can make finding suitable housing more difficult. For some tenants, eviction will result in homelessness. Finding ways to resolve disputes between landlords and tenants and to increase housing stability benefits everyone. A pre-litigation mediation program supported by SB 3332 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawaii. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent

evictions. Through the Program, in a one-year period, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. Like the Act 57 Program, SB 3332 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

And while there are no longer robust rental assistance programs available to assist tenants and landlords, early mediation has still been proven successful. In 2023, with the support of grants from private foundations, The Mediation Center of the Pacific (MCP) on Oahu continued offering early eviction mediation. 119 tenants and landlords participated in early mediation, with 80 or 67%, percent reaching agreement. These statistics reinforce that early mediation makes a difference in helping tenants and landlords.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawaii continues to grow. On Oahu alone in 2023, MCP opened 1,285 landlord-tenant cases compared to only 433 landlord-tenant cases in 2019, prior to COVID. These high numbers underscore the need for a different approach to helping landlords and tenants and increasing housing stability.

Please PASS SB 3332, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.

Poranee Sponsel, Ed.D, volunteer mediator

The Mediation Center of the Pacific, Inc.

LATE

Committee on Housing
Hearing Date: Wednesday, February 7, 2024

Submitted by Charles J. Buckla
SB 3332 – Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

I am submitting testimony in STRONG SUPPORT OF SB 3332, which establishes and funds a pre-litigation mediation program.

Combined with high rents, scarce inventory, and high demand, housing insecurity in Hawaii is at an all-time high according to press reports. While historically, eviction moratoriums offer temporary protection, once lifted, hundreds of evictions generally result, with suffering families potentially homeless. SB 3332, creating an early landlord-tenant mediation program, is an opportunity to negotiate agreements that keep tenants housed and paying landlords rent that is owed.

In 2021, Act 57 was implemented after the pandemic era eviction moratorium was lifted. During the one-year period it was in effect, over 1600 cases involving past due rent were mediated, resulting in over 1,140 tenants and their families being able to remain in their residence. SB 3332 is modeled after Act 57.

As a volunteer mediator on Oahu, I have personally witnessed the impact of eviction on both tenants and landlords. In my experience, the earlier tenants and landlords can mediate, the more likely the tenants will be able to remain in their homes and pay back rent that is owed.

I urge you to pass SB 3332 so we can help tenants and landlords to start talking and negotiating before going to court. Just like we did on Oahu with Act 57.

Respectfully,
Charles J. Buckla
Aiea, Hawaii
February 6, 2024

T

LATE

SB-3332

Submitted on: 2/6/2024 5:02:46 PM

Testimony for CPN on 2/7/2024 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Dion Dizon	Individual	Support	Written Testimony Only

Comments:

I strongly support establishing a pre-litigation mediation program. As a volunteer mediator at the district courts, it is common for landlords and tenants to negotiate mediated agreements for mutual benefit, whether it's for money or possession or both. As a property manager, I work with owners have been open to working out payment plans to help their tenants get back on track after an unplanned expense set them back. Communication is important, and mediation helps with this.

LATE

LATE

Committee on Housing

Hearing Date: Wednesday, February 7, 2024

Submitted by Alison Zecha, The Mediation Center of the Pacific, Inc. board member

SB 3332 - Relating to Eviction Mediation

Dear Senator Keohokalole, Senator Fukunaga, and Members of the Committee:

Alison Zecha is submitting testimony in STRONG SUPPORT OF SB 3332, which establishes and funds a pre-litigation mediation pilot program.

Evictions are harmful for everyone involved. Landlords and tenants both want stability in housing arrangements. For landlords, the process of eviction and finding new tenants is costly. For tenants and their families, the costs are even higher: A forced move may mean the loss of their security deposit and belongings, a change in schools, a longer commute to work, and a negative mark on their rental history that can make finding suitable housing more difficult. For some tenants, eviction will result in homelessness. Finding ways to resolve disputes between landlords and tenants and to increase housing stability benefits everyone. A pre-litigation mediation program supported by SB 3332 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawaii. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions. Through the Program, in a one-year period, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. Like the Act 57 Program, SB 3332 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

And while there are no longer robust rental assistance programs available to assist tenants and landlords, early mediation has still been proven successful. In 2023, with the support of grants from private foundations, The Mediation Center of the Pacific (MCP) on Oahu continued offering early eviction mediation. 119 tenants and landlords participated in early mediation, with 80 or 67%, percent reaching agreement. These statistics reinforce that early mediation makes a difference in helping tenants and landlords.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawaii continues to grow. On Oahu alone in 2023, MCP opened 1,285 landlord-tenant cases compared to only 433 landlord-tenant cases in 2019, prior to COVID. These high numbers underscore the need for a different approach to helping landlords and tenants and increasing housing stability.

Please PASS SB 3332, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.

Alison Zecha, Board Member
The Mediation Center of the Pacific, Inc.

LATE

LATE

Committee on Housing

Hearing Date: Wednesday, February 7, 2024

Submitted by Kay Lorraine, J.D., LMDR

In support of SB 3332 - Relating to Eviction Mediation

Dear Chairman Keohokalole, Vice Chair Fukunaga, and other Members of the Senate Committee on Commerce and Consumer Protection:

I am submitting testimony in support of SB 3332, which will establish and fund a pilot program for pre-eviction mediation.

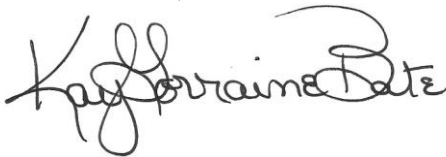
I am a volunteer mediator at the Mediation Center of the Pacific, where I/we mediate summary possession cases. We have a very successful track record in working out plans to enable tenants to remain in their homes while establishing a mutually agreeable repayment plan with their landlords. Money appropriated by the Legislature under SB 3332 will help to prevent evictions and will assist landlords from having to lose time and money in the eviction and re-rental process.

In addition to mediating, I am also a longtime, active volunteer in the Family Promise of Hawai'i homeless program. I can hardly express the pain in seeing families with young children who have been evicted and end up homeless. The families lose their deposit. The parents lose their dignity. And the children lose their home and their security.

Appropriating money for a proven successful pre-litigation mediation program is an investment in the health and economic stability of low-income families in Hawai'i.

Again, I respectfully request that you support SB 3332.

Warmest aloha,



Kay Lorraine-Bate

Juris Doctorate, Richardson School of Law

Legal Master of Dispute Resolution, Pepperdine School of Law