A BILL FOR AN ACT

RELATING TO THE LANDLORD-TENANT CODE.

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

1 SECTION 1. The legislature finds that many Hawaii 2 residents continue to face the possibility of eviction due to challenges to paying rent. The legislature previously enacted 3 Act 57, Session Laws of Hawaii 2021, to encourage communication, 4 5 and facilitate mediation, between landlords and tenants to help 6 reduce summary possession cases. Research indicates that the 7 program and procedures created by Act 57 were widely successful in substantially increasing the number of disputes that were 8 settled in mediation without the filing of a summary possession 9 10 case and increasing the number of settlements in which the 11 parties agreed that the tenant could continue to reside in the 12 subject home. The amendments made to Hawaii's residential 13 landlord-tenant code were repealed automatically by Act 57. 14 The legislature notes that the availability of rental relief is a key factor in ensuring housing stability and that 15 16 combining rent relief with a robust pre-litigation mediation process is likely to lead to significantly better outcomes than 17

1	mediation	LIIaL	starts only after fittigation is filled, of fent
2	relief alo	one.	
3	Acco	rding	ly, the purpose of this Act is to:
4	(1)	Crea	te a pilot program that adopts the most effective
5		feat	ures of Act 57, Session Laws of Hawaii 2021, by:
6		(A)	Extending the period for a notice of termination
7			of the rental agreement from five business days
8			to fifteen calendar days;
9		(B)	Requiring landlords to engage in mediation and
10			delay filing an action for summary possession if
11			a tenant schedules or attempts to schedule a
12			mediation;
13		(C)	Requiring landlords to include specific
14			information in the fifteen-calendar day notice
15			provided to tenants and certain mediation
16			centers; and
17		(D)	Repealing these amendments made to Hawaii's
18			residential landlord-tenant code on December 31,
19			2024; and
20	(2)	Crea	te an emergency rent relief program available to
21		part:	icipants in pre-litigation mediation to provide

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

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

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

S.B. NO. 393 S.D. 1

1	(11)	A warning in bold typeface print that reads: "If
2		mediation is not scheduled within fifteen calendar
3		days after receipt of the notice, regardless of
4		whether the scheduled mediation session occurs within
5		the fifteen-calendar day period, then the landlord may
6		file an action for summary possession after the
7		expiration of the fifteen-calendar day period. If
8		mediation is scheduled before the expiration of the
9		fifteen-calendar day period, regardless of whether the
10		scheduled mediation session occurs within the fifteen
11		calendar days, then the landlord shall only file an
12		action for summary possession after the expiration of
13		thirty calendar days following the tenant's receipt of
14		the fifteen-calendar day notice. If the
15		fifteen-calendar day notice was mailed, receipt of
16		notice shall be deemed to be two days after the date
17		of the postmark. If the fifteen-calendar day notice
18		was posted on the premises, receipt of notice shall be
19		deemed to be the date of posting. If an agreement is
20		reached before the filing of an action for summary
21		possession, whether through mediation or otherwise,

1		then the landlord shall not bring an action for
2		summary possession against the tenant, except as
3		provided in any agreement that may be reached. The
4		landlord shall be required to note the status of the
5		mediation or settlement effort and proof of sending or
6		posting the fifteen-calendar day notice to the
7		mediation center in the action for summary
8		possession.";
9	(12)	Notice that the eviction may be subject to additional
10		requirements and protections under state or federal
11		law and that the tenant is encouraged to seek the
12		tenant's own legal advice regarding their rights and
13		responsibilities; and
14	(13)	That the landlord or landlord's agent shall engage in
15		mediation if mediation is scheduled.
16	<u>(c)</u>	Landlords or their agents shall provide the
17	fifteen-ca	alendar day notice to a mediation center that offers
18	free media	ation for residential landlord-tenant matters. The
19	mediation	center shall contact the landlord or landlord's agent
20	and the to	enant to schedule the mediation. If a tenant schedules
21	mediation	within the fifteen-calendar day period, regardless of

1	whether the	ne scheduled mediation session occurs within the
2	fifteen-d	ay period, the landlord shall only file a summary
3	proceeding	g for possession after the expiration of thirty
4	calendar (days from the date of receipt of the notice. If the
5	tenant scl	hedules mediation, the landlord shall participate.
6	(d)	The summary possession complaint for nonpayment of
7	rent shal	l include:
8	(1)	A document or documents from the mediation center
9		verifying that the landlord provided a copy of the
10		required fifteen-calendar day notice to the mediation
11		<pre>center;</pre>
12	(2)	A statement as to whether the landlord or landlord's
13		agent and tenant have participated in, or will
14		participate in any scheduled mediation; and
15	(3)	If mediation is pending, the date on which the
16		mediation is scheduled.
17	<u>(e)</u>	If the mediation has not occurred as of, or been
18	scheduled	for a future date after, the return hearing date on
19	the summar	ry possession complaint, the court, in its discretion
20	and based	on a finding of good cause, may order a separate
21	mediation	

1	(f) If there is any defect in the fifteen-calendar day
2	notice described in subsection (b) provided by the landlord and
3	the court determines the defect was unintentional and
4	immaterial, the court may allow the landlord to cure the defect
5	without dismissing the action for summary possession.
6	(g) A landlord or the landlord's agent may bring an action
7	for rent alone at any time after the landlord has demanded
8	payment of past due rent and notified the tenant of the
9	landlord's intention to bring [$\frac{\text{such an}}{\text{an}}$] $\frac{\text{the}}{\text{action.}}$
10	SECTION 3. There is appropriated out of the general
11	revenues of the State of Hawaii the sum of \$ or so much
12	thereof as may be necessary for fiscal year 2023-2024 and the
13	same sum or so much thereof as may be necessary for fiscal year
14	2024-2025 for administration of the pre-litigation mediation
15	program established under section 2 of this Act.
16	The sums appropriated shall be expended by the counties for
17	the purposes of this Act, in the following amounts:
18	City and county of Honolulu \$
19	County of Hawaii \$
20	County of Kauai \$
21	County of Maui \$.

1 SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ 2 or so much 3 thereof as may be necessary for fiscal year 2023-2024 and the 4 same sum or so much thereof as may be necessary for fiscal year 5 2024-2025 for the establishment of an emergency rent relief 6 program to provide moneys to participants in the pre-litigation 7 mediation program established pursuant to section 2 of this Act for the purposes of avoiding eviction and maintaining stable 8 9 tenancies. 10 The sums appropriated shall be expended by the counties for the purposes of this Act, in the following amounts: 11 12 City and county of Honolulu 13 County of Hawaii \$ County of Kauai 14 \$ 15 County of Maui \$ 16 SECTION 5. Statutory material to be repealed is bracketed 17 and stricken. New statutory material is underscored. 18 SECTION 6. This Act shall take effect on July 1, 2050; 19 provided that section 2 of this Act shall be repealed on 20 December 31, 2024, and section 521-68, Hawaii Revised Statutes,

- 1 shall be reenacted in the form in which it read on the day
- 2 before the effective date of this Act.

Report Title:

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

Description:

Until 12/31/2024, extends the period for a notice of termination of the rental agreement from 5 business days to 15 calendar days; requires landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule a mediation; requires landlords to include specific information in the fifteen-calendar day notice provided to tenants and certain mediation centers. Appropriates moneys. Effective 7/1/2050. (SD1)

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