

STAND. COM. REP. NO.

1300

Honolulu, Hawaii

MAR 17 , 2023

RE: S.B. No. 393  
S.D. 1  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 393, S.D. 1, 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) Until December 31, 2024:
  - (A) Extend the period for a notice of termination of a rental agreement to fifteen calendar days;
  - (B) Require landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule mediation; and
  - (C) Require landlords to include specific information in the notice provided to tenants and certain mediation centers;
- (2) Appropriate funds for the Pre-Litigation Mediation Program; and

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- (3) Appropriates funds for and creates an Emergency Rent Relief Program to provide resources to help certain participants in pre-litigation mediation to avoid eviction and maintain stable tenancies.

Your Committee received comments on this measure from the Hawai'i Association of REALTORS and one individual.

Your Committee finds that when the coronavirus disease 2019 pandemic began, there were predictions that thousands of evictions would flood the court system. To avert this crisis, the Legislature enacted Act 57, Session Laws of Hawaii 2021 (Act 57), which modified the notice requirements for residential summary possession cases, mandated pre-filing mediation, and made funding available for pre-filing mediation services and rent relief. Your Committee further finds that under Act 57, eighty-five percent of cases mediated statewide settled without litigation and, in the First Circuit, eighty-five percent of these settlements resulted in tenants remaining in their homes. Act 57 was in effect until August 6, 2022, and demonstrated how the combination of a robust pre-litigation mediation process with rental relief led to significantly better outcomes for local families struggling to make ends meet. Your Committee therefore finds that establishing a rental assistance and early landlord-tenant mediation program will build upon the successes achieved under Act 57.

Your Committee notes that H.B. No. 1439, H.D. 2 (Regular Session of 2023), a substantially similar measure, was previously passed by the House. Your Committee believes that H.B. No. 1439, H.D. 2, is preferable because it sets parameters and provides more direction regarding the Pre-Litigation Mediation Pilot Program and Emergency Rent Relief Program.

Accordingly, your Committee has amended this measure by:

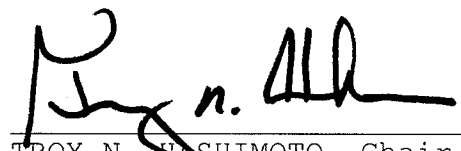
- (1) Deleting its contents and inserting the contents of H.B. No. 1439, H.D. 2, a measure that:
  - (A) Establishes and appropriates funds for a Pre-Litigation Mediation Pilot Program under the Judiciary, beginning on September 1, 2023, which requires landlords to participate in mediation before filing an action for summary possession;



- (B) Establishes and appropriates funds for an Emergency Rent Relief Program under the Hawaii Public Housing Authority;
  - (C) Contains a sunset date of June 30, 2025; and
  - (D) Contains an effective date of June 30, 3000;
- (2) Clarifying that eligible participants in the Emergency Rent Relief Program are limited to those participants in the Pre-Litigation Mediation Pilot Program with an income of no more than eighty percent of the area median income; and
- (3) 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. 393, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 393, S.D. 1, 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,

  
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TROY N. HASHIMOTO, Chair



