

STAND. COM. REP. NO.

1537

Honolulu, Hawaii

MAR 24

, 2023

RE: S.B. No. 393
S.D. 1
H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 393, S.D. 1, H.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 establish, until June 30, 2025, the Pre-Litigation Mediation Pilot Program and Emergency Rent Relief Program.

Your Committee received testimony in support of this measure from the Legal Aid Society of Hawai'i; Catholic Charities Hawai'i; Mediation Center of the Pacific, Inc.; Ku'ikahi Mediation Center; Family Promise of Hawai'i; and Hawai'i Appleseed Center for Law & Economic Justice. Your Committee received comments on this measure from the Department of Human Services and Hawai'i Association of REALTORS.

Your Committee finds that the economic downturn as a result of the COVID-19 pandemic threatened the housing status of many tenants who became unable to afford rent. Your Committee further finds that Act 57, Session Laws of Hawaii 2021 (Act 57), through the combination of a robust pre-litigation mediation process with rental relief, effectively stymied the predicted wave of evictions and achieved better outcomes for local families struggling to make

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ends meet. Because of Act 57's intervention, eighty-five percent of cases mediated settled without litigation and, within the First Circuit, eighty-five percent of settlements resulted in tenants remaining in the dwelling. This measure continues the most effective provisions of Act 57 to stabilize the housing status of tenants and provides funds for an Emergency Rent Relief Program, which will help families who are again struggling to pay rent now that the federal pandemic rental subsidies have ended.

Your Committee has amended this measure by:

- (1) Clarifying that mediation may take place by means of remote communication, including two-way video communication, or in person, or both;
- (2) Removing the income qualification for persons to participate in the Emergency Rent Relief Program; 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 Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 393, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 393, S.D. 1, H.D. 2.

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



MARK M. NAKASHIMA, Chair



