# A BILL FOR AN ACT

RELATING TO EVICTION MEDIATION.

### 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 challenges paying their rent. This
- 3 is a problem for both housing providers and tenants because
- 4 tenants risk losing their homes due to nonpayment, and housing
- 5 providers risk losing their property or not keeping up with
- 6 their bills because of the nonpayment.
- 7 Act 57, Session Laws of Hawaii 2021 (Act 57), encouraged
- 8 communication and facilitated mediation between housing
- 9 providers and tenants to help encourage collaborative solutions
- 10 to this common problem and to avoid evictions when possible.
- 11 Experience shows that the mediation procedures created by Act 57
- 12 were widely successful in substantially increasing the number of
- 13 disputes that were settled in mediation without any eviction
- 14 cases being filed and increased the number of settlements in
- 15 which the parties agreed that the tenant could continue to
- 16 reside in the dwelling unit. However, the amendments to the
- 17 landlord-tenant code by Act 57 have expired.



1	Acco	rding	ly, the purpose of this Act is to:
2	(1)	Enco	urage tenants and landlords to engage in
3		conv	ersations early, as soon as a tenant knows they
4		are	not able to make their full rental payment;
5	(2)	Esta	blish a pilot program that adopts the most
6		effe	ctive provisions of Act 57 that:
7		(A)	Extends the period for a notice of termination of
8			the rental agreement from five business days to
9			ten calendar days;
10		(B)	Requires all housing providers and tenants to
11			engage in early mediation and delay filing an
12			action for eviction if a tenant schedules or
13			attempts to schedule a mediation;
14		(C)	Requires tenants and landlords to be responsible
15			for their own attorneys' fees and costs in
16			prelitigation mediation. If the tenant defaults
17			on a mediated agreement, the landlord may file
18			for eviction and payment of all attorneys' fees
19			and costs incurred in the pre-litigation
20			mediation process; and

1	(D) Requires landiords to provide specific
2	information in the ten-calendar-day notice to
3	tenants, which shall also be provided to a
4	mediation center that offers free mediation for
5	residential landlord-tenant disputes; and
6	(3) Appropriate moneys for the pre-litigation mediation
7	pilot program.
8	SECTION 2. Section 521-68, Hawaii Revised Statutes, is
9	amended to read as follows:
10	"§521-68 Landlord's remedies for failure by tenant to pay
11	rent[-]; pre-litigation mediation. (a) A landlord or the
12	landlord's agent $[may]$ , any time after rent is due, $may$ demand
13	payment thereof and notify the tenant in writing that unless
14	payment is made within a time mentioned in the notice $[, not]$ as
15	provided in subsection (b), not less than [five business] ten
16	calendar days after receipt thereof, the rental agreement will
17	be terminated. [If the tenant cannot be served with notice as
18	required, notice Motice may be given to the tenant by posting
19	the same in a conspicuous place on the dwelling unit[ $\div$ ], and the
20	notice shall be deemed received on the date of the posting. If
21	the notice is mailed to the tenant wis the United States Postal

1	Service, properly addressed and with appropriate postage, the
2	notice shall be deemed to have been received two business days
3	after the date of the postmark, unless the letter is returned to
4	the landlord as undeliverable. If the tenant remains in
5	$default[_{ au}]$ after the expiration of the time stated in the
6	<pre>notice, the landlord may [thereafter] bring a summary proceeding</pre>
7	for possession of the dwelling unit or any other proper
8	proceeding, action, or suit for possession[+], subject to this
9	section. The notice required by this section need not be given
10	if the action is based on the breach of a mediated agreement or
11	other settlement agreement, or is for an eviction proceeding
12	based on matters other than non-payment of rent. In any action
13	based on the breach of a mediated agreement, the court shall not
14	require any further mediation before trial.
15	(b) The ten-calendar-day notice shall include the
16	following:
17	(1) The name of the landlord or the landlord's agent and
18	the landlord's or landlord's agent's contact
19	information, including, if possible, phone number,
20	electronic mail address, and mailing address;

1	(2)	The address of the dwelling unit subject to the rental
2		agreement;
3	(3)	The name and contact information of all tenants listed
4		on the rental agreement, including phone number and,
5		if possible, electronic mail address and mailing
6		address;
7	(4)	The current amount of the rent due as of the date of
8		the notice, after applying all rent paid from all
9		sources;
10	(5)	Notice that a copy of the ten-calendar-day notice
11		being provided to the tenant is also being provided to
12		a state-funded mediation center for the mediation
13		center to contact the landlord and tenant to schedule
14		a mediation regarding the nonpayment of rent in
15		accordance with subsection (c);
16	(6)	Notice that the landlord or landlord's agent may file
17		an action for summary possession if the rent due is
18		not paid and if mediation is not scheduled within ten
19		calendar days after the tenant's receipt of the
20		ten-calendar-day notice, regardless of whether the

	scheduled mediation session occurs within the ten
	calendar days;
(7)	A warning in bold typeface print in substantially the
	following form: "If mediation is not scheduled within
	ten calendar days after receipt of this notice,
	regardless of whether the scheduled mediation session
	occurs within the ten-calendar-day period, the
	landlord may file an action for summary possession
	after the expiration of the ten-calendar-day period.
	If mediation is scheduled before the expiration of the
	ten-calendar-day period, regardless of whether the
	scheduled mediation session occurs within the ten
	calendar days, the landlord shall only file an action
	for summary possession after the expiration of twenty
	calendar days following the tenant's receipt of the
	ten-calendar-day notice unless you (tenant) fail to
	attend or cancel mediation. If the ten-calendar-day
	notice was posted on the premises, receipt of notice
	shall be deemed to be the date of posting. If the
	ten-calendar-day notice was mailed, receipt of notice
	shall be deemed to be two business days after the date
	<u>(7)</u>

1	of the postmark. If filing an action for summary
2	possession, the landlord shall be required to note, in
3	the summary possession complaint, the status of the
4	mediation or settlement effort and proof of posting or
5	sending the ten-calendar-day notice to the mediation
6	center."; and
7	(8) Notice that the landlord or landlord's agent shall
8	engage in mediation if mediation is scheduled.
9	The judiciary shall prepare a notice form that may be used
10	by landlords and landlords' agents to provide the information
11	required by this subsection and make the form available on its
12	website.
13	(c) A landlord or the landlord's agent shall provide the
14	ten-calendar-day notice to a state-funded mediation center that
15	offers free mediation for residential landlord-tenant matters.
16	All state-funded mediation centers shall offer mediation
17	services to landlords and tenants through in-person and remote
18	means, and shall allow mediation participants to utilize remote
19	appearances, if requested. If a mediation center schedules
20	mediation within the ten-calendar-day period and the tenant
21	participates in the mediation, regardless of whether the

1	scheduled mediation session occurs within the ten-calendar-day
2	period, the landlord shall only file a summary possession
3	proceeding after the expiration of twenty calendar days from the
4	date of the tenant's receipt of the ten-calendar-day notice. If
5	the tenant schedules mediation, the landlord shall participate.
6	Mediation shall take place within thirty days from the date that
7	the mediation center makes contact with both the landlord and
8	tenant. Upon request by the landlord or the landlord's agent,
9	the mediation center shall provide copies of a document or
10	documents verifying that the landlord provided a copy of the
11	required ten-calendar-day notice to the mediation center.
12	(d) The summary possession complaint for nonpayment of
13	rent shall include:
14	(1) A document or documents from the mediation center
15	verifying that the landlord provided a copy of the
16	required ten-calendar-day notice to the mediation
17	center or an affirmation from the landlord or the
18	landlord's agent that the notice was provided to the
19	applicable mediation center and the means by which the
20	notice was provided to the applicable mediation
21	center. Upon request by the landlord or the

1		landlord's agent, the mediation center shall provide
2		copies of the relevant documents to the landlord; and
3	(2)	If mediation is scheduled but has not yet occurred,
4		the date on which the mediation is scheduled.
5	<u>(e)</u>	If there is any defect in the ten-calendar-day notice
6	described	in subsection (b) provided by the landlord and the
7	court det	ermines the defect was unintentional or immaterial, the
8	court may	allow the landlord to cure the defect without
9	dismissin	g the action for summary possession.
10	(f)	Nothing in this section shall impact a landlord's or
11	tenant's	other rights and responsibilities under this chapter.
12	<u>(g)</u>	The mediation may take place using remote
13	communica	tion, in person, or both.
14	(h)	Each tenant and landlord shall be responsible for
15	bearing t	he party's own costs, including attorneys' fees,
16	relating	to the mediation; provided that, if the tenant defaults
17	on a medi	ated agreement or fails to attend a scheduled
18	mediation	, the landlord may request payment of all costs,
19	including	reasonable attorneys' fees, incurred during the
20	pre-litia	ation mediation process.

- 1 (i) If the mediation does not result in an agreement, the
- 2 landlord or the landlord's agent may file an action for summary
- 3 possession without participating in an additional mediation;
- 4 provided that after the filing of the action for summary
- 5 possession, the court, in its discretion and based on a finding
- 6 of good cause, may order an additional mediation.
- 7 [\(\(\frac{(b)}{b}\)] (j) A landlord or the landlord's agent may bring an
- **8** action solely for rent [alone] at any time after the landlord
- 9 has demanded payment of past due rent and notified the tenant of
- 10 the landlord's intention to bring such an action."
- 11 SECTION 3. There is appropriated out of the general
- 12 revenues of the State of Hawaii the sum of \$ or so
- 13 much thereof as may be necessary for fiscal year 2025-2026 and
- 14 the same sum or so much thereof as may be necessary for fiscal
- 15 year 2026-2027 for the judiciary to contract for mediation
- 16 services pursuant to section 2 of this Act.
- 17 The sums appropriated shall be expended by the judiciary
- 18 for the purposes of this Act.
- 19 SECTION 4. This Act does not affect rights and duties that
- 20 matured, penalties that were incurred, and proceedings that were
- 21 begun before its effective date.



## S.B. NO. 825 S.D. 1

1 SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. 2 3 SECTION 6. This Act shall take effect on July 1, 2050; provided that: 4 5 (1) Section 2 shall take effect on February 5, 2026; and (2) This Act shall be repealed on February 4, 2027, and 6 7 section 521-68, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day 8 prior to the effective date of section 2 of this Act. 9

#### Report Title:

Judiciary; Eviction Mediation; Pre-litigation Mediation Pilot Program; Summary Possession; Landlords; Tenants; Appropriations

### Description:

Beginning 2/5/2026, extends the period for a notice of termination of a rental agreement from 5 business days to 10 calendar days. Requires landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule mediation. Requires landlords to provide specific information in the 10-calendar-day notice to tenants. Requires mediation to take place within 30 days from the date that a mediation center makes contact with both the landlord and tenant. Appropriates funds. Repeals 2/4/2027. Effective 7/1/2050. (SD1)

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