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

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

March 17, 2025

TO: The Honorable Representative David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs

FROM: Ryan I. Yamane, Director

SUBJECT: **SB 825 SD2 HD1– RELATING TO EVICTION MEDIATION.**

Hearing: March 19, 2025, 2:00 p.m.
Conference Room 325 & Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure and defers to the Judiciary on resources and implementation. With Act 57, Session Laws of Hawaii 2021, the Judiciary and mediation centers successfully assisted tenants and landlords in avoiding litigation during the COVID-19 pandemic. Having an eviction on one's record can also make securing another rental more challenging, thereby perpetuating housing instability. Preventing evictions is a positive investment for families and children as housing stability supports health and well-being, educational attainment, maintaining employment, and community cohesiveness and resilience.

PURPOSE: Beginning 2/5/2026, extends the period for a notice of termination of a rental agreement from five business days to ten calendar days; requires landlords, or their agents, and tenants to engage in mediation and requires landlords and their agents to delay filing an action for summary possession if a tenant schedules; requires landlords or their agents to provide specific information in the ten-calendar-day notice to tenants; and requires mediation to take place within thirty days from the date that a mediation center makes contact

with both the landlord, or the landlord's agent, and tenant. Requires the Judiciary to submit a report to the Legislature. Appropriates funds. Sunsets 2/4/2028, but preserves the extension of the period for a notice of termination of a rental agreement from five business days to ten calendar days. Effective 7/1/3000. (HD1)

The Committee on Commerce and Consumer Protection amended the measure by:

- (1) Inserting language to require that mediation take place within thirty days from the date that a mediation center makes contact with the landlord and tenant;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

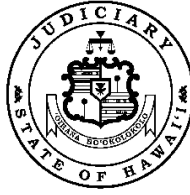
The Committees on Ways and Means and Judiciary also amended this measure by:

- (1) Extending the length of the pilot program from one year to two years;
- (2) Requiring the Judiciary to report its findings and recommendations, including recommendations on whether the pilot program should be made permanent, to the Legislature no later than ninety days after the termination of the pilot program; and
- (3) Making permanent the ten-day notice period required for a landlord to terminate a rental agreement for a tenant's failure to pay.

The Committee on Consumer Affairs and Commerce further amended the measure by:

- (1) Clarifying that a landlord's agent may fully act on behalf of the landlord;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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



The Judiciary, State of Hawai‘i

Testimony to the Thirty-Third Legislature, 2025 Regular Session

House Committee on Judiciary and Hawaiian Affairs

Representative David A. Tarnas, Chair

Representative Mahina Poepoe, Vice Chair

Wednesday, March 19, 2025 at 2:00 p.m.

State Capitol, House Conference Room 325 & Videoconference

By

Judge Jeffrey P. Crabtree (ret.)

Director, Center for Alternative Dispute Resolution

Bill No. and Title: Senate Bill No. 825, SD2, HD1, Relating to Eviction Mediation.

Purpose: Beginning 2/5/2026, extends the period for a notice of termination of a rental agreement from five business days to ten calendar days; requires landlords, or their agents, and tenants to engage in mediation and requires landlords and their agents to delay filing an action for summary possession if a tenant schedules; requires landlords or their agents to provide specific information in the ten-calendar-day notice to tenants; and requires mediation to take place within thirty days from the date that a mediation center makes contact with both the landlord, or the landlord's agent, and tenant. Requires the Judiciary to submit a report to the Legislature. Appropriates funds. Sunsets 2/4/2028, but preserves the extension of the period for a notice of termination of a rental agreement from five business days to ten calendar days. Effective 7/1/3000. (HD1)

Judiciary's Position:

The Judiciary SUPPORTS this measure. When the COVID-19 pandemic began, thousands of evictions were predicted to overwhelm the court system. However, enacting and implementing Act 57, Session Laws of Hawai‘i 2021, helped prevent this crisis. Act 57 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. As a result, 85 percent of the 1,660 cases mediated statewide under Act 57 settled without litigation. In the First Circuit, 85 percent of these settlements allowed tenants to remain in their homes, demonstrating the



effectiveness of combining pre-filing mediation with rent relief to prevent evictions. Please refer to the Judiciary's testimony of HB1439 (2023).

This success also occurred on a national scale, as shown by the National Center for State Courts (NCSC) Eviction Diversion Initiative. Launched in early 2021, the initiative has expanded to 24 state and local courts across 17 states, with the courts offering eviction diversion programs that include, among other services, pre-eviction mediation and assistance with applying for rental relief. Across these courts, 53 percent of tenants stayed in their homes when mediation or financial assistance was secured. In Clatsop County Circuit Court (Oregon), every mediated eviction case resulted in no eviction judgment. In Allen County Superior Court (Indiana), only 6 percent of filed summary possession cases proceeded to trial. In the Las Vegas Justice Court, social workers helped tenants apply for more than \$2 million in rental assistance, leading to the dismissal or denial of 78.5 percent of eviction cases.

Judiciary highlights that although this bill does not provide rent relief for landlords, our experience shows that early mediation helps even without rent relief. The COVID-era pre-eviction mediation program under Act 57 included rent relief for landlords. When it ended, the Mediation Center of the Pacific ("MCP") continued its mediation efforts without rent relief. MCP reports that of 119 cases mediated, 80 mediations reached agreement. The 67% rate of settlement indicates the success of pre-eviction mediation alone when both sides are willing to mediate. Further, in October 2022, Hawaii Appleseed released a report analyzing Act 57's effects, finding: Rent relief is not the only important factor.¹ Despite its availability during COVID-era summary possession cases, it didn't translate to a high settlement rate or a high rate of tenants being able to reach settlements. Other factors, such as whether mediation happened before or during litigation, also impacts the outcome; and there are demonstrated benefits of early mediation.² Offering mediation before eviction filings helps resolve disputes more effectively, as parties are less entrenched before litigation begins. It also reduces courtroom pressure, allowing tenants to raise defenses they might avoid, and helps prevent long-term damage to their rental history, giving them more time to secure rental assistance.³ With respect to when mediation shall take place, the Judiciary recognizes the practical merits of both options: mediation taking place within 30 days after the date of the initial Notice the landlord submits to the mediation center, or mediation taking place within 30 days from the time that a mediation center has made contact with both the landlord and tenant. Judiciary has no objection to either suggestion.

¹ RAY KONG, ET. AL., HAWAII APPLESEED CENTER FOR LAW AND ECONOMIC JUSTICE, EVICTION PREVENTION THROUGH HAWAII'S TENANT-LANDLORD MEDIATION PROGRAM 13, 21 (2022), available at https://static1.squarespace.com/static/601374ae84e51e430a1829d8/t/6345d5fcf7ea1378c43084db/1665521161324/Eviction+Prevention+Report_FINAL+2.pdf.

² Id. at 21.

³ Id. at 20.



Senate Bill No. 825, SD2, HD1, Relating to Eviction Mediation
House Committee on Judiciary and Hawaiian Affairs
Wednesday, March 19, 2025
Page 3

The Judiciary respectfully requests that any appropriations for this bill not supplant the Judiciary's existing funding and current budget requests.

Thank you for the opportunity to testify on this measure.

Committee on Judiciary & Hawaiian Affairs
Hearing Date: Wednesday March 19, 2025

Submitted by The Mediation Center of the Pacific, Inc.
SB 825 SD2 HD1 - Relating to Eviction Mediation

Dear Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

The Mediation Center of the Pacific is submitting testimony in STRONG SUPPORT of SB 825 SD2 HD1, which establishes and funds a pre-litigation eviction 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 eviction mediation program supported by SB 825 SD2 HD1 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 825 SD2 HD1 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.

While pairing early mediation with rental assistance is valuable as demonstrated by the Act 57 program, even when early mediation is not paired with rental assistance, mediating prior to filing an eviction process increases the likelihood of tenant and landlord reaching an agreement. Over the past two years, The Mediation Center of the Pacific mediated 96 early eviction cases, 86 or 90% of which resulted in final agreements between landlord and tenant when no rental assistance was available.

With Hawaii's high cost of living, the number of evictions remains high. Tenants fall behind and are too overwhelmed or ashamed to approach their landlord about the situation. When the amount of past due rent grows, landlords rely on the eviction process to remove the tenant and start over. Most tenants don't show up to court, therefore, the landlord has wasted their time, as well as the courts time, and they still don't get paid.

A pre-litigation eviction mediation program is needed to encourage tenants and landlords to talk early, before the tenant is so far behind a realistic payment plan isn't feasible. Through mediation, tenants and landlords can agree on payment plans that keep tenants in their residences or alternately, reach agreements that provide tenants with sufficient time to find an alternate location they can afford while providing the landlord with their past due rent.

Early eviction mediation provides an easy, cost-effective solution to a long-time problem. Please PASS SB 825 SD2 HD1, to help prevent evictions and keep our island residents housed.

Sincerely,

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.



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Testimony to the House Committee on Judiciary & Hawaiian Affairs
Wednesday, March 19, 2025, 2:00 p.m.
Conference Room 325 & Videoconference

RE: Support of SB 825, SD2, HD1 Relating to Eviction Mediation

Dear Chair Tarnas, Vice Chair Poepoe, and Members of the Committees:

As a local non-profit organization, **Ku'ikahi Mediation is submitting testimony to strongly support SB 825, SD2, HD1 establishes and funds a pre-litigation mediation pilot program.** This bill promotes housing stability, prevents homelessness, and provides valuable resources to help both landlords and tenants avoid the high costs of eviction and maintain stable tenancies.

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

According to recent research by Hawai'i Appleseed 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 Appleseed 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



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Shelby Morrison

Mediation Program during the period of August 7, 2021 to August 6, 2022. The legislature's passage of Act 57 was crucial to this program's success.

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.

Establishing a new statewide landlord/tenant mediation program is crucial step to reduce the social and financial harm caused by evictions, especially critical as our state (and nation) are facing an affordable housing crisis.

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

Mahalo,

Julie Mitchell
Executive Director

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To: Representative David A. Tarnas, Chair
Representative Mahina Poepoe, Vice Chair
House Committee on Judiciary and Hawaiian Affairs

From: Chevelle Davis, MPH - Director of Early Childhood & Health Policy
Hawai'i Children's Action Network Speaks!

Subject: Measure S.B. No. 825, S.D. 2, H.D. 1 – Relating to Eviction Mediation

Hearing: Wednesday, March 19, 2025, at 2:00 PM, Conference Room 325

POSITION: STRONG SUPPORT

Aloha e Chair Tarnas, Vice Chair Poepoe, and Members of the committee:

Hawai'i Children's Action Network (HCAN) **STRONGLY SUPPORTS S.B. No. 825, S.D. 2, H.D. 1**, which extends the notice period for termination of a rental agreement, requires mediation before eviction proceedings, and appropriates funds to support these measures.

Stable housing is critical for the well-being of Hawai'i's keiki and families. By extending the notice period from 5 business days to 10 calendar days, this bill provides tenants with a more reasonable timeframe to address rental issues, seek assistance, and engage in productive dialogue with landlords. This adjustment ensures that families, particularly those with children, are not forced into sudden housing instability or homelessness due to an unreasonably short notice period.

Furthermore, requiring landlords to mediate before proceeding with eviction is a crucial step toward preventing unnecessary displacement. Mediation offers a fair and balanced process that allows tenants and landlords to find mutually beneficial solutions. This measure prioritizes communication and problem-solving over immediate eviction by delaying filing a summary possession action when mediation is scheduled or attempted. Given the high cost of living in Hawai'i, many families face financial hardships that may be resolved with time and support, making mediation a key tool in preventing homelessness.

Additionally, requiring landlords to include specific information in the 10-day notice ensures that tenants are fully informed of their rights and available resources. Access to clear and comprehensive information can significantly affect a tenant's ability to respond effectively and seek assistance.

Finally, appropriating funds to support mediation services is essential for ensuring the success of this initiative. Mediation centers require adequate resources to handle increased caseloads efficiently, and funding will help ensure the timely resolution of disputes while reducing the burden on the court system.

Housing insecurity is among Hawai'i's most significant threats to child and family well-being. S.B. No. 825, S.D. 2, H.D. 1 is necessary to create a fairer and more compassionate approach to landlord-tenant relationships and prevent evictions that can lead to long-term hardship for Hawai'i's keiki and their families.

HCAN Speaks! urges the committee to pass S.B. No. 825, S.D. 2, H.D. 1 for these reasons.

Mahalo for the opportunity to provide testimony in **STRONG SUPPORT** on this critical measure.



March 19, 2025

The Honorable David A. Tarnas, Chair

House Committee on Judiciary & Hawaiian Affairs

State Capitol, Conference Room 325 & Videoconference

RE: Senate Bill 825, SD2, HD1, Relating to Eviction Mediation

HEARING: Thursday, March 19, 2025, at 2:00 p.m.

Aloha Chair Tarnas, Vice Chair Poepoe, 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 10,000 members. HAR provides **comments** on Senate Bill 825, SD2, HD1, which beginning 2/5/2026, extends the period for a notice of termination of a rental agreement from five business days to ten calendar days; requires landlords, or their agents, and tenants to engage in mediation and requires landlords and their agents to delay filing an action for summary possession if a tenant schedules; requires landlords or their agents to provide specific information in the ten-calendar-day notice to tenants; and requires mediation to take place within thirty days from the date that a mediation center makes contact with both the landlord, or the landlord's agent, and tenant. Requires the Judiciary to submit a report to the Legislature. Appropriates funds. Sunsets 2/4/2028, but preserves the extension of the period for a notice of termination of a rental agreement from five business days to ten calendar days. Effective 7/1/3000.

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.

We are also concerned that the proposed measure extends the notice period for unpaid rent from 5 business days to 10 calendar days. As such, HAR has concerns that this could lead to added delays. HAR believes that mediation can happen concurrently with initiating an action for summary possession. Ideally, tenants should reach out to their housing provider or mediation service providers prior to missing their rental payments to initiate the process.

We believe this topic and other related concerns are better served in discussion with multiple stakeholders while reviewing and updating the entire Residential Landlord-



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1259 A'ala Street, Suite 300
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808-737-4977

Tenant Code. Multiple measures are exploring setting up a working group to do this including SB 822, HCR 158, and SCR 123. A comprehensive discussion to explore ways to reduce backlogs in the courts and offer expedient resolution and assistance for tenants and landlords is needed.

Mahalo for the opportunity to provide testimony on this measure.



SB-825-HD-1

Submitted on: 3/19/2025 1:57:57 AM

Testimony for JHA on 3/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laurie Arial Tochiki	Mediation Centers of Hawaii	Support	Written Testimony Only

Comments:

I am writing to express my STRONG SUPPORT OF SB825.

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, a pre-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. The devastating effects of the Maui wildfires will have a prolonged affect on the lives of many Maui residents. Mediation is a proven and effective way to improve communication and promote a balanced approach to the crisis. Throughout our state, 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 SB825 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.

SB825 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.

Mahalo,

Laurie Arial Tochiki, JD, Ph.D

To: Committee on Judiciary and Hawaiian Affairs

Hearing Date: March 19,2025

Submitted by: Paige Harley, MA

Dear Chair Tamas, Vice Chair Poepoe, and Member of the committee,

I am writing in STRONG SUPPORT of SB825 SD2 HD1. I have seen first-hand, as a mediator, how mediation provides an invaluable opportunity for landlords and tenants to engage in open communication, which often leads to amicable resolutions that might not have been possible through traditional litigation.

In my experience, mediation allows for greater flexibility and creativity in resolving disputes, ensuring that solutions are tailored to the unique circumstances of the individuals involved.

SB825 SD2 HD1 has the potential to make a significant impact by providing greater access to these services, which are often more cost effective and less adversarial than court proceedings. Additionally, mediation fosters stronger landlord-tenant relationships and contributes to maintaining stable housing, which is particularly critical given the current housing challenges in our communities.

In conclusion, I fully support SB825 SD2 HD1 and its goal to expand landlord-tenant mediation services. I believe that this program has the potential to make a real difference in improving the way disputes are handled in our community, ensuring better outcomes for all involved.

Thank you for your time and consideration. Please feel free to contact me if you need any additional information.

Respectfully,

Paige Harley MA

Mediator at Mediation Center of Pacific

Paige@ccmediationservices.com



Collection Law Section

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Reply to:

KARYN A. DOI, CHAIR

222 Merchant Street

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March 19, 2025

Re: SB 825 Re Eviction Mediation

Dear Chair Tarnas, Vice Chair Poepoe, and Committee Members:

This testimony is submitted on behalf of the Collection Law Section ("CLS") of the Hawaii State Bar Association.*

My name is David Chee, one of the Directors of CLS. CLS opposes SB825. I practice in the area of landlord-tenant law and have done so for over thirty years.

CLS previously provided testimony on this bill, and I am supplementing that testimony.

The Mediation Center of the Pacific ("MCP") has provided statistics to support this legislation, specifically noting that 90% of the pre-eviction matters that they mediated resulted in an agreement. The pre-eviction mediation numbers are impressive, but they are that way because, currently, it is usually the tenant initiating pre-eviction mediation. In those instances, the tenant is actively seeking a dialogue with their landlord to solve the nonpayment problem. This is not the norm. If the tenant is actively seeking mediation (a rarity in itself) it's usually because they have a plan to pay the debt that they think their landlord will accept. So, it makes sense that those cases will result in a settlement a high percentage of the time.

But that situation is not typical. In most of the nonpayment evictions I handle, the tenants usually have neither a realistic plan nor the means to pay the debt. Mediation cannot solve that problem.

Additionally, most tenants will not agree to a move-out date until they have secured a new place to move. Typically, tenants who have not been able to pay their rent do not have the money to pay for a deposit and first month's rent at a new place, and so cannot afford to move. This makes agreement on a move-out date unlikely since most people will not agree to move out under those circumstances.

Even when an agreement is made that doesn't mean that an eviction has been avoided. What the 90% agreement number does not tell us is how many of those agreements were actually fulfilled. While I do not keep statistics, my own experience is that a significant (perhaps a majority) of tenants who make payment plans eventually fail and are evicted.

Which then brings us to the costs that SB825 will impose on landlords. If a tenant schedules mediation, the landlord must wait an additional 10 days before initiating a summary possession action. According to a quick Google search, average monthly residential rent in Honolulu is \$2,800. So, the extra 10-day delay will cost a landlord, on average, \$933 in lost rent.

And a scheduled mediation does not always end up with an actual mediation. The language in the notice that SB825 requires landlords to give (like the notice required by Act 57) puts tenants on notice that they can delay their evictions by simply scheduling mediation. After the pandemic and now with Maui, some tenants will schedule mediation and simply not show up. So, extra delay with zero benefit to the landlord.

SB825 imposes definite costs on landlords with uncertain real benefits. That's why CLS opposes it.

Thank you for considering my testimony. Please let me know if you have any questions.

Very truly yours,

/s/ David W. H. Chee

Director
The Collection Law Section

*** The comments and recommendations submitted reflect the viewpoint of the Collection Law Section of the Hawaii State Bar Association only. This viewpoint has not been reviewed or approved by the HSBA Board of Directors.**

SB-825-HD-1

Submitted on: 3/17/2025 8:57:46 PM

Testimony for JHA on 3/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael A. Cobb Jr	Individual	Oppose	Written Testimony Only

Comments:

I oppose this measure. It will drag out the eviction process costing everyone more money and wasting valuable time.



GORDON M. ARAKAKI

Attorney at Law, LLC
94-1176 Polinahe Place
Waipahu, Hawaii 96797
Cell: (808) 542-1542
E-mail: gordonarakaki@hawaiiantel.net

March 17, 2025

Hearing Date: Wednesday, March 19, 2025

Time: 2:00 PM

Place: Conference Room 325

The Honorable David A. Tarnas, Chair
The Honorable Mahina Poepoe, Vice Chair
House Committee on Judiciary & Hawaiian Affairs

Re: Testimony in Strong Support of SB 825, SD2, HD1 – Relating to Eviction Mediation
(Written Testimony Only)

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee on Judiciary & Hawaiian Affairs:

I am Gordon M. Arakaki, testifying as an individual¹ in ***strong support*** of SB 825, SD2, HD1, which would establish and fund a pre-litigation mediation pilot program.

Helping landlords and tenants resolve their disputes and increasing housing stability benefits everyone. The pre-litigation mediation pilot program proposed by SB 825, SD2, HD1 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling tenants to remain housed and providing landlords with their rental income.

As noted in SB 825, SD2, HD1 [at page 1, lines 7-16, describing the results of Act 57 (SLH 2021) (“Act 57”)] as well as The Mediation Center of the Pacific, pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawaii. The amendments to Hawaii’s Landlord-Tenant Code made by Act 57 have expired, so SB 825, SD2, HD1 seeks to recodify and implement the most effective provisions of Act 57. These provisions include:

- (1) Extending the notice of termination of rental agreement period from five to ten days;
- (2) Requiring all housing providers and tenants to participate in early mediation and prohibiting eviction actions if the tenant schedules or attempts to schedule a mediation;

¹ As of August 2024, I am also a board member of The Mediation Center of the Pacific. However, I submit this testimony as an individual.

- (3) Making each party responsible for its own attorney's fees and costs for pre-litigation mediation while allowing landlords to recover such fees and costs if a tenant defaults on a mediated agreement; and
- (4) Requiring landlords to provide detailed specific information to tenants (including, among many other things, contact information, the amount of rent due, and a statutorily prescribed warning) in the ten-day notice of termination period, as well as providing such information to a mediation center that offers free mediation for residential landlord-tenant disputes.

SB 825, SD2, HD1 also provides funding for the pre-litigation mediation pilot program.

Thank you for your time and consideration of my testimony in ***strong support*** of SB 825, SD2, HD1. I respectfully urge you to pass this bill.

Sincerely,

Gordon M. Arakaki

SB-825-HD-1

Submitted on: 3/18/2025 7:07:17 PM

Testimony for JHA on 3/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Denise Obrero	Individual	Support	Written Testimony Only

Comments:

Committee on JUDICIARY & HAWAIIAN AFFAIRS

Hearing Date: Wednesday, March 19, 2025

Submitted by:

Denise Obrero

SB 825 - Relating to Eviction Mediation

Dear Chair Tarnas Vice Chair Poepoe and Members of the Committee:

I'm submitting testimony in strong support of SB 825, which establishes and funds a pre-litigation mediation pilot program.

I have seen firsthand how eviction can affect landlords, tenants, and the overall community. Housing stability is essential for both tenants and landlords, who represent a wide range of individuals in our communities, including working families with keiki, kūpuna, and individuals from all walks of life.

For landlords, the eviction process can be both costly and time-consuming, as it requires finding new tenants and incurring additional expenses. Furthermore, there are many kūpuna and families who often rely on rental income. For tenants, the emotional and financial costs are even more profound. Forced moves can result in the loss of security deposits, disruption in children's education, longer commutes, and negative marks on rental histories, making it harder to secure housing in the future. This may even involve removal from Section 8 and essential subsidy assistance programs. In the most severe cases, eviction can lead to homelessness, further burdening our community.

This is why early intervention through pre-litigation mediation is so important. Research has shown that when landlords and tenants engage in mediation before the eviction process begins, the chances of reaching an agreement are significantly higher. This approach not only increases housing stability but also strengthens communities by fostering positive resolutions and reducing conflict.

We have even seen an increase in cases where, although formal mediation does not take place, the very engagement in mediation opens the doorways to communication between landlords and tenants, leading to informal resolutions and settlements that benefit both parties. This demonstrates that even the act of initiating mediation encourages positive dialogue and promotes greater housing stability.

Over the past two years, MCP mediated 96 early eviction cases, with 90% resulting in agreements that benefitted both landlords and tenants. This success rate highlights the value of early intervention, which helps ensure tenants can remain in their homes while landlords continue to receive rental income—avoiding the disruptions and costs of formal eviction proceedings. This program has largely grown through word of mouth, driven by the positive outcomes for both parties. With the support of the legislature, we can build on this foundation and ensure that the program reaches its full potential, maximizing its impact for the community.

Given Hawai‘i’s high cost of living, evictions continue to be a challenge. Tenants often fall behind on rent and may feel too overwhelmed or reluctant to reach out to their landlords. As arrears grow, eviction can appear to be the only solution. Early mediation can help prevent this by encouraging open communication between tenants and landlords, allowing for the development of payment plans or other solutions that may allow tenants to stay in their homes or, when necessary, to find alternative housing within a reasonable time frame.

Evictions also impose significant public costs. According to estimates, Hawai‘i’s annual evictions result in over \$30 million in public expenditures, driven by increased demand for emergency shelters, healthcare, and social services. By establishing a pre-litigation mediation program, we can help reduce these costs and contribute to the overall well-being of our communities.

For these reasons, I support SB 825, recognizing its potential to improve housing stability and reduce the adverse impacts of eviction on tenants, landlords, and the broader community.

Mahalo nui,

Denise Obrero

SB-825-HD-1

Submitted on: 3/18/2025 8:30:18 PM

Testimony for JHA on 3/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keith Webster	Individual	Support	Written Testimony Only

Comments:

I'm writing in support of SB875 to require mediation in eviction cases. We are in a housing crisis and many in the community are financially stressed. Mediation is effective in supporting both the Landlord and the Tenant, often without a resulting eviction. Support our community, please support SB875.

Keith Webster

Kaneohe

SB-825-HD-1

Submitted on: 3/19/2025 8:53:57 AM

Testimony for JHA on 3/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judi Bell	Individual	Support	Written Testimony Only

Comments:

Committee on Judiciary & Hawaiian Affairs

Hearing Date: Wednesday March 19, 2025

Submitted by Judi Bell Mediator.

SB825, SD2, HD1 - Relating to Eviction Mediation

Dear Chair Tarnas, Vice-Chair Poepoe, and Members of the Committee:

Judi Bell is submitting testimony in STRONG SUPPORT of SB825, which establishes and funds a pre-litigation mediation pilot program.

As a professional mediator who was hired for the ACT 57 mediation program, has volunteered for landlord tenant mediation after the eviction has been filed, and now does the Early Eviction Mediations, I am in STRONG SUPPORT of SB 825 which established and funds a pre-litigation mediation pilot program.

Mediating before parties get to court is a crucial distinction in the landlord tenant mediations. So much of mediating is the human-interest story of the situation. When people have the opportunity to mediate without the fear of court hanging over their heads, they are able to think more clearly which helps them make more rational decisions. When people make rational decisions *for themselves*, they are better able to move forward with the next steps. Whether that be to remain in the residence or to vacate it, they know they were in control and are able to say, “I made that choice”, and rather than feel like (or become) a victim, they have the opportunity to retain dignity and self-respect – something that is desperately lacking in the current eviction process.

One of the best things this bill can do for Hawaii is to give its people a voice! A voice of self-determination, confidence in their future, and a knowledge that they some control in a seemingly out-of-control situation.

Please PASS HB825, SD2, HD1.

Sincerely,

Judi Bell, Mediator

SB-825-HD-1

Submitted on: 3/19/2025 2:25:04 PM

Testimony for JHA on 3/19/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mimi Beams	Individual	Support	Written Testimony Only

Comments:

Per previous testimony, I am a volunteer mediator with the Mediation Center of the Pacific and have seen great results in helping individuals and families move forward in their lives through constructive mediation. Please support.

thank you,

Mimi Beams