

STAND. COM. REP. NO.

167

Honolulu, Hawaii

FEB 10 2025

RE: S.B. No. 157
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 157 entitled:

"A BILL FOR AN ACT RELATING TO ANTITRUST,"

begs leave to report as follows:

The purpose and intent of this measure is to prevent artificially inflated rental prices by prohibiting the use of algorithmic price-setting in Hawaii's rental housing market.

Your Committee received testimony in support of this measure from the American Economic Liberties Project, Maui Housing Hui, and one individual.

Your Committee received comments on this measure from the Hawai'i Association of REALTORS and Maui Chamber of Commerce.

Your Committee finds that landlords and property managers in local rental housing markets are sharing private data regarding their rental properties, including current rent prices, available square footage, vacancy levels, and the number of applicants for a particular unit. Your Committee also finds that third-party price setters use that data to recommend rent and occupancy levels and advise landlords to hold some units off the market to raise the price of a unit, creating artificial scarcity and displacing renters in the State. Because Hawaii already has the highest median rent in the nation, this measure will help ensure units are



filled via competitive pricing, rather than through cooperation to set prices.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 157, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 157, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

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



JABRETT LECHOKAOLE, Chair



Record of Votes
Committee on Commerce and Consumer Protection
CPN

*Only one measure per Record of Votes