

STAND. COM. REP. NO. 986

Honolulu, Hawaii

FEB 28 2025

RE: S.B. No. 157
S.D. 2

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

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred S.B. No. 157, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ANTITRUST,"

beg 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 market.

Your Committees received testimony in support of this measure from the Hawai'i Civil Rights Commission.

Your Committees received testimony in opposition to this measure from the Department of the Attorney General.

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

Your Committees find that the State is in the midst of an affordable housing crisis, with the highest median rent in the nation. Your Committees also find that landlords of residential housing use property management software to raise rental housing prices, which may have contributed to recent increases in the State. Landlords engaging with the property management software supply real-time prices and additional lease information to



companies managing the software, who proceed to use algorithms to fix rental prices. As a result, competition decreases and rental prices typically increase. This measure will help to address the cost of housing in the State by deterring monopolies or near-monopolies and promoting fair competition in the State's housing market.

Your Committees have amended this measure by:

- (1) Deleting language that would have prohibited a rental property owner, or any agent, representative, or subcontractor thereof, to subscribe to, contract with, or otherwise exchange any form of consideration in return for the use of services of a coordinator;
- (2) Prohibiting a coordinator from performing coordinating functions; and
- (3) Clarifying that a coordinator is prohibited from facilitating an agreement among rental property owners that restricts competition with respect to the pricing, lease terms, or ideal occupancy levels for residential dwelling units.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 157, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 157, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Ways and Means,


DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

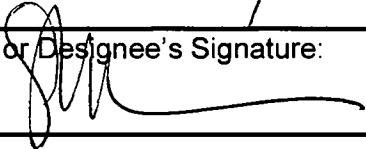
Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:* SB 157, SD1	Committee Referral: CPN, JDC/WAM	Date: 2/26/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
GABBARD, Mike (VC)	✓			
CHANG, Stanley	✓			
SAN BUENAVENTURA, Joy A.	✓			
AWA, Brenton	✓			
TOTAL	5	—	—	—
Recommendation: <div style="display: flex; justify-content: space-around; align-items: center;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: 				
<div style="display: flex; justify-content: space-between; font-size: small;"> Distribution: Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

*Only one measure per Record of Votes

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 157 SD1</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPN, JDC/WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-26-2025</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	13	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive;">  </div>				
Distribution: <div style="display: flex; justify-content: space-around; font-size: 0.8em;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes