

STAND. COM. REP. NO.

440

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 825
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. 825 entitled:

"A BILL FOR AN ACT RELATING TO EVICTION MEDIATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Encourage tenants and landlords to engage in conversations early, as soon as a tenant knows they are not able to make their full rental payment;
- (2) Establish a pilot program that adopts the most effective provisions of Act 57, Session Laws of Hawaii 2021, that:
 - (A) Extends the period for a notice of termination of the rental agreement from five business days to ten calendar days;
 - (B) Requires all housing providers and tenants to engage in early mediation and delay filing an eviction action if a tenant schedules or attempts to schedule mediation;
 - (C) Requires tenants and landlords to be responsible for their own attorneys' fees and costs in pre-litigation mediation; and



- (D) Requires landlords to provide specific information within the ten-calendar-day notice to the tenant and provide a copy of the notice to a mediation center that offers free mediation for residential landlord-tenant disputes; and
- (3) Appropriate funds for the Pre-Litigation Mediation Pilot Program.

Your Committee received testimony in support of this measure from the Judiciary; Ku'ikahi Mediation Center; Mediation Center of the Pacific, Inc.; and eleven individuals.

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

Your Committee finds that when the COVID-19 pandemic began in 2020, thousands of evictions were predicted to overwhelm the court system. However, Act 57, Session Laws of Hawaii 2021, helped prevent this crisis by modifying the notice requirements for residential summary possession cases, mandating pre-filing mediation, and providing funds for pre-filing mediation services and rent relief. As a result, eighty-five percent of cases mediated statewide under Act 57 settled without litigation and allowed tenants to remain in their homes. These results demonstrate the importance of landlords and tenants having these conversations sooner rather than later, and the effectiveness of combining pre-litigation mediation and rent relief to prevent evictions. This measure incorporates the successful elements of Act 57 to promote housing stability and avoid the high costs of evictions.

Your Committee has amended this 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, 2020, to encourage further discussion; and



- (3) 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. 825, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 825, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

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




JARRETT KEOHOKALOLE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB825	Committee Referral: CPN, WAM/JDC	Date: 2/4/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"				✓
AWA, Brenton	✓			
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes