

The Judiciary, State of Hawai‘i

**Testimony to the Thirty-Third State Legislature
2025 Regular Session**

Senate Committee on Consumer Protection & Commerce

Representative Scot Z. Matayoshi, Chair
Representative Cory M. Chun, Vice Chair

Thursday, April 10, 2025 at 2:00 p.m.
Conference Room 329 & Videoconference

By:

Michelle D. Acosta
Deputy Chief Court Administrator
District Court of the First Circuit

Resolution No. and Title: Senate Concurrent Resolution No. 123, S.D.1,
REQUESTING THE JUDICIARY TO CONVENE A WORKING GROUP TO RESEARCH
LANDLORD-TENANT ISSUES SPECIFIC TO INCREASING THE SUPPLY OF RENTAL HOUSING
AND IMPROVING LANDLORD-TENANT INTERACTIONS.

Judiciary’s Position:

The Judiciary supports the establishment of a working group to research and improve the Residential Landlord-Tenant Code similar to the legislation in SB822 SD2 HD2. The Judiciary believes that a working group would be a productive way of identifying and addressing the issues facing landlords and tenants with the goal of developing statutory provisions that will benefit both groups.

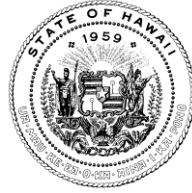
The purpose of this resolution is to “establish a three-year working group to conduct a comprehensive review of the Residential Landlord-Tenant Code and recommend necessary updates.” However, the current version of this resolution also tasks the working group with “identifying the potential availability of rental housing stock that is not being offered for rent.” The Judiciary acknowledges that this charge extends beyond the Judiciary’s expertise.

To address this issue, we respectfully request that this committee adopt the scope outlined in SB822 SD2 HD2, which provides that the working group shall:

- (1) Conduct a comprehensive review of the Residential Landlord-Tenant Code to determine if any amendments or updates are necessary;
- (2) Review existing mechanisms available to landlords and tenants for the enforcement of rights under the Residential Landlord-Tenant Code; and
- (3) Consider the feasibility of statutory processes through which injunctive relief might be obtained.

Thank you for the opportunity to testify on this measure.

LATE



JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

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**Testimony of the Department of Commerce and Consumer Affairs
Office of Consumer Protection**

Before the
House Committee on Consumer Protection and Commerce
Thursday, April 10, 2025
2:00 p.m.
Conference Room 329 & Videoconference
State Capitol
415 South Beretania Street

On the following measure:
S.C.R. 123, S.D. 1, REQUESTING THE JUDICIARY TO CONVENE A WORKING
GROUP TO RESEARCH LANDLORD-TENANT ISSUES SPECIFIC TO INCREASING
THE SUPPLY OF RENTAL HOUSING AND IMPROVING LANDLORD-TENANT
INTERACTIONS

Chair Matayoshi and Members of the Committee:

My name is Emma Olsen, and I am an Enforcement Attorney for the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department offers comments on this resolution.

The purpose of the resolution is to convene a three-year working group, facilitated by the Judiciary, to research landlord-tenant issues specific to increasing the supply of rental housing and improving landlord-tenant interactions. While the Department appreciates the intent of the resolution, which is to evaluate the barriers faced by landlords and tenants to offering and obtaining housing, and increase the availability of rental

housing, we have concerns about the overlap in both membership and goals with the working group proposed by S.B. 822, S.D. 2.

Like this resolution, S.B. No. 822, H.D. 2 proposes establishing a three-year working group focused on landlord-tenant issues, to be convened by the Judiciary. S.B. No. 822, H.D. 2 is also similar to this resolution in terms of the membership and the goals of the proposed working group. We find, however, that the goals outlined in S.B. No. 822, H.D. 2 will better facilitate future legislative proposals to address current landlord-tenant issues by focusing on updating the Residential Landlord-Tenant Code.

The S.B. No. 822, H.D. 2 working group is specifically charged with reviewing the Residential Landlord-Tenant Code, reviewing existing mechanisms available to landlords and tenants for the enforcement of rights under the Residential Landlord-Tenant Code, and considering the feasibility of the statutory processes through which injunctive relief might be obtained. The S.B. No. 822, H.D. 2 working group's focus on updating the Residential Landlord-Tenant Code, the rights thereunder, and processes for obtaining injunctive relief is well-defined and a good fit for our particular experience.

Through the Office of Consumer Protection's Landlord-Tenant Information Center, we provide information to the public on the rights and duties of landlords and tenants under the Residential Landlord-Tenant Code, fielding thousands of calls annually from members of the public. The Department does not represent the interests of tenants or landlords in litigation and offers a unique executive branch perspective on areas of concern for landlords and tenants. Although OCP is not currently designated as a member of the working group proposed by S.B. No. 822, H.D. 2, we would be open to being included as a member of that working group.

In comparison to S.B. No. 822, H.D. 2, the goals proposed for the working group created by this measure are broader, encompassing issues that are outside the expertise of the Office of Consumer Protection. Issues such as identifying the availability of rental housing stock and evaluating barriers related to offering or obtaining housing are better suited for government agencies with expertise in housing or the economy. Moreover, it would potentially overburden existing resources to have the Office of Consumer

Protection added as a member of two separate three-year working groups each focused on residential landlord-tenant issues.

The Department respectfully requests that this Committee defer S.C.R. No. 123, S.D. 1, as it overlaps in significant respects with S.B. No. 822, H.D. 2, and its diffuse aims are not aligned with the Office of Consumer Protection's expertise. The Office of Consumer Protection is open to being a member of the working group created by S.B. No. 822, H.D. 2.

Thank you for the opportunity to testify on this resolution.

April 10, 2025

The Honorable Scot Z. Matayoshi, Chair

House Committee on Consumer Protection & Commerce
State Capitol, Conference Room 329 & Videoconference

LATE

RE: Senate Concurrent Resolution 123, SD1

HEARING: Thursday, April 10, 2025, at 2:00 p.m.

Aloha Chair Matayoshi, Vice Chair Chun, 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 **strongly supports and offers an amendment** to Senate Concurrent Resolution 123, SD1, requesting the Judiciary to convene a Working Group to research landlord-tenant issues specific to increasing the supply of rental housing and improving landlord-tenant interactions.

Tenants struggling to make ends meet may face uncertainty about their options and available protections. On the other hand, if a housing provider has a tenant who is not paying rent or violating other provisions of a rental agreement, they must go through a lengthy and time-consuming court process to seek remedy. This could discourage property owners from offering or continuing to offer their properties as rental housing. Establishing a Working Group could help explore possible solutions such as early mediation and alternative dispute resolution methods that are more accessible to tenants, promoting fair and efficient conflict resolution between renters and housing providers.

A large number of housing providers in Hawaii are mom-and-pop landlords who are not professional property managers and are without regular access to education on the continuously evolving requirements of the Residential Landlord-Tenant Code leading to additional confusion. The Working Group could examine ways to improve tenant and mom-and-pop landlord education and expand access to critical resources, such as legal aid and rental assistance programs. Exploring these options and more could help tenants maintain stable housing while providing housing providers with a clearer framework for resolving disputes amicably.

Therefore, we respectfully request the following amendments to better align the resolution with changes made to SB 822 HD2. Mahalo for the opportunity to provide testimony.

Suggested Amendments to Page 2, lines 13-32

(1) ~~Identifying the potential availability of rental housing stock that is not being offered for rent; Conducting a comprehensive review of the Residential Landlord-Tenant~~



Code to determine if any amendments or updates are necessary to make regulatory improvements for property managers, tenants, and property owners;

~~(2) Evaluating the challenges faced by landlords and tenants, including legal, financial, and procedural issues that are barriers to offering or obtaining housing;~~
Reviewing existing mechanisms available to landlords and tenants for the enforcement of rights under the Residential Landlord-Tenant Code;

~~(3) Best practices and potential landlord tenant code or other regulatory improvements for property managers, tenants, and property owners;~~

(4 3) Determining problem areas that impact property managers, tenants, and property owners and whether educational resources or other solutions can help address those challenges; and

(~~5~~ 4) Exploring any other feasible ideas or relevant solutions, pursuant to the discretion of the working group; and