H.C.R. NO. 148 H.D. 1

HOUSE CONCURRENT RESOLUTION

REQUESTING THE COUNTIES TO STUDY AND TO CONSIDER IMPLEMENTING RENT CONTROL ORDINANCES AUTHORIZED UNDER STATE LAW.

WHEREAS, rents for residential property can rise drastically during times when housing is in short supply and the economy is strong; and

WHEREAS, in economics and law, rent control refers to the government regulation of rent to prevent unreasonable or excessive increases; and

WHEREAS, in the United States, the federal government imposed rent control and other price controls during World War II, and continued it in several cities after the war because of housing shortages; and

WHEREAS, rent control was later turned over to the control of individual states and municipalities and has since ended in most locations; and

WHEREAS, proponents of rent control claim that it is necessary to prevent landlords from imposing rent increases that force the elderly and the poor to move, on the grounds that housing is an inalienable human right that is equal to the rights of landlords; and

WHEREAS, other advocates of rent control claim that maintaining a supply of affordable housing is essential to sustaining job growth, and to maintaining a community that includes senior citizens and people of all income groups; and

WHEREAS, homeowners who support rent control point to the neighborhood instability caused by high or frequent rent increases and the effect on schools, youth groups, and community organizations when tenants move frequently; and

Twenty-third Legislature of 2006, the Senate concuments of HCR148 HD1 HMS 2006-3108

WHEREAS, opponents of rent control claim that rent control can create housing shortages, resulting in an overall decrease in the quality of housing stock in a city, and that the benefits of rent control accrue disproportionately to the wealthy and well-connected; and

WHEREAS, opponents of rent control argue that the goal of making housing affordable and available to the poor can be accomplished by the same free market that created the housing units in the first place, or by government construction or subsidy of affordable housing projects; and

WHEREAS, opponents of rent control see rent control as a violation of the landlords' property rights that limits their ability to sell their rent controlled property, thus essentially forcing landlords to put their property to work for the state without recourse; and

WHEREAS, regulation of real property is a fact of life in modern societies, and landlords and their organizations actively use their recourse to legislatures to assert that the government has taken landlords' property without compensation, although courts generally have found that unconstitutional takings have not occurred; and

WHEREAS, while the political debate over rent control is far-reaching, the purposes and provisions of rent control laws are intended to be limited in scope, and the frequency and degree of rent increases are limited, usually to the rate of inflation; and

WHEREAS, under rent control landlords may pass along the costs of capital improvements to their properties, and tenants may be able to claim that decreased services or the lack of necessary repairs offset additional increases or justify a rent reduction; and

WHEREAS, the counties have been authorized for many years to enact rent control under section 46-1.5(20), Hawaii Revised Statutes; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, the Senate concurring, that each of the counties is

requested to study and consider implementing rent control ordinances authorized under state law; and

BE IT FURTHER RESOLVED that the Attorney General is requested to provide an opinion to guide the counties with regard to the implementation of rent control ordinances; and

BE IT FURTHER RESOLVED that the Attorney General is requested to consider methods to improve enforcement and compliance with the Landlord Tenant Code and to strengthen sanctions against violators; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Attorney General, Executive Director of the Housing and Community Development Corporation of Hawaii, and Mayor of each county.