
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. In most cases, landlords in Hawaii are able to
2 increase the rent on rental units without much concern over
3 whether the unit will sit vacant because of the scarcity of
4 affordable housing. Even if a landlord's current tenant cannot
5 afford the increased rent on a rental unit, there is likely
6 another tenant willing to take the current tenant's place.

7 While turnover in tenants as a result of increased rents
8 benefits the landlords and property owners, it does not always
9 benefit the community. Tenants who know that they could be
10 priced out of their current residence have no incentive to
11 invest in their community. If rents were stable and tenants
12 could be assured that they would face only reasonable increases,
13 then tenants may stay in their rental units longer and invest in
14 the community around them.

15 The legislature finds that tenants need some semblance of
16 housing security but landlords and property owners also need the
17 ability to increase their rents by a reasonable amount. The



1 legislature further finds that the policy of rent stabilization,
2 which is distinct from a policy of rent control, could
3 simultaneously respond to those opposing needs.

4 The purpose of this Act is to establish a rent
5 stabilization law that will apply to all rental units located in
6 structures that are over a certain age.

7 SECTION 2. The Hawaii Revised Statutes is amended by
8 adding a new chapter to be appropriately designated and to read
9 as follows:

10 "CHAPTER

11 RENT STABILIZATION

12 § -1 Definitions. For purposes of this chapter, unless
13 context requires otherwise:

14 "Action" means the same as the term is defined in section
15 521-8.

16 "Department" means the department of commerce and consumer
17 affairs.

18 "Dwelling unit" means the same as the term defined in
19 section 521-8.

20 "Family" includes a family of one.



1 "Landlord" means the same as the term is defined in section
2 521-8.

3 "Owner" means the same as the term defined in section 521-
4 8.

5 "Rental agreement" means the same as the term defined in
6 section 521-8.

7 "Single family residence" means the same as the term
8 defined in section 521-8.

9 "Tenant" means the same as the term defined in section 521-
10 8.

11 § -2 Application. (a) The provisions of this chapter
12 shall apply to all dwelling units designed for rental use or
13 rented, including dwelling units that are subleased by tenants,
14 at any time on or after July 1, 2018, except for dwelling units
15 listed in subsection (b).

16 (b) The provisions of this chapter shall not apply to:

17 (1) A dwelling unit in a single family residence; provided
18 that the single family residence does not rent more
19 than dwelling units to families who are not
20 related to the property owner by blood, marriage, or
21 adoption;



1 (2) Dwelling units located in structures less than
2 years old; provided that:

3 (A) The structure did not replace a structure that
4 provided dwelling units for rent; and

5 (B) The tenants that rented dwelling units in the
6 previous structure were not evicted for the
7 purpose of allowing the property owner to build
8 the current structure;

9 (3) Accommodations in hotels, motels, and inns that are
10 primarily rented to guests for a period of thirty
11 days; provided that the same tenant has not occupied
12 one or more of the dwelling units in a single
13 structure for more than thirty consecutive days;

14 (4) A dwelling unit that is owned, operated, or managed by
15 a government unit, agency, or authority for purposes
16 of providing housing to low-income, very low-income,
17 or extremely low-income households; and

18 (5) A dwelling unit in an institution that is monitored or
19 licensed by the State, and provides medical,
20 geriatric, or educational services.



1 **§ -3 Monthly rent increases.** (a) A landlord of a
2 dwelling unit subject to a rental agreement shall be permitted
3 to increase a dwelling unit's monthly rent by a maximum
4 of per cent at the end of the term of the rental
5 agreement, or every twelve months. The recalculated, increased
6 monthly rent shall be in effect for a term established by the
7 new rental agreement and shall be the monthly rent used to
8 calculate future rent increases.

9 (b) A landlord shall be permitted to increase the monthly
10 rent for a dwelling unit beyond the restrictions in subsection
11 (a) after the dwelling unit is vacated by all tenants. There
12 shall be no limit to the monthly rental amount that a landlord
13 may charge for a dwelling unit following the vacancy of the
14 dwelling unit by all tenants.

15 **§ -4 Remedies.** (a) A tenant or the department may file
16 for a civil action to enforce the provisions of this chapter.

17 (b) A tenant may refuse to pay an increase in rent that is
18 in violation of the provisions of this chapter and such
19 violation shall be a defense in any action brought to recover
20 the possession of a dwelling unit or to collect rent.



1 (c) Whenever it is necessary for a tenant of a dwelling
2 unit to file a court action to recover the payment of rent which
3 was in excess of the maximum lawful rent allowed by the
4 provisions of this chapter, or whenever it is necessary for the
5 tenant to defend against any wrongful action filed in court
6 against the tenant by the landlord to recover the possession of
7 the tenant's dwelling unit, the landlord shall be liable to the
8 tenant for damages in the amount of \$ or not more than
9 three times the amount by which the payment demanded, accepted,
10 received, or retained exceed the lawful amount of rent,
11 whichever is more. The prevailing party in any such suit shall
12 be entitled to reasonable attorney's fees and costs as
13 determined by the court."

14 SECTION 3. This Act shall take effect on January 1, 2050.



Report Title:

Rent Stabilization; Affordable Housing

Description:

Establishes a new chapter for rent stabilization applicable to all rental units located in structures over a certain age.
(HB2575 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

