STAND. COM. REP. NO. 2944

Honolulu, Hawaii

FEB 2 7 2020

RE: S.B. No. 2752

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2752 entitled:

"A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT ACT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- Allow a landlord or a landlord's agent to charge an application screening fee as a part of the applicant screening process for renting residential property;
- (2) Limit the amount that may be charged for an application screening fee to \$25; and
- (3) Require the landlord or landlord's agent to return any unauthorized fee amounts to the applicant.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs Office of Consumer Protection. Your Committee received testimony in opposition to this measure from the Chinatown Gateway Plaza Tenant Association and Unite Here Local 5.

Your Committee finds that existing law does not specifically regulate the nature and amount of application fees that landlords may charge prospective tenants. According to testimony received



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by your Committee, the Office of Consumer Protection has received allegations over the years from prospective tenants, claiming that the costs of their application fees do not correlate with the costs of background and credit checks. Your Committee further finds that this measure will deter the abusive practice of excessive application fees and protect valid applicants of residential rentals in Hawaii's tight housing market.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2752 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

ROSALYN H. B**AR**ER, Chair



The Senate Thirtieth Legislature State of Hawaiʻi

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral:		C	Date:	
SB 2752	CPH			02/20/2	20
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)) Nay	Excused
BAKER, Rosalyn H. (C)		V			
CHANG, Stanley (VC)		<i>\</i>			
NISHIHARA, Clarence K.					~
RUDERMAN, Russell E.					
THIELEN, Laura H.					
WAKAI, Glenn					
FEVELLA, Kurt					
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TOTAL		3		1	3
Recommendation:					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes