

STAND. COM. REP. NO. 1140

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 1376
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 1376, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the period for a notice of summary possession from five days to fifteen days;
- (2) Require landlords to enter into mediation and delay when a landlord may seek possession of a dwelling unit if the tenant schedules or attempts to schedule mediation;
- (3) Require landlords to provide the notice to mediation centers that offer free mediation for residential landlord-tenant disputes;
- (4) Restrict when a landlord may exercise these remedies depending on the amount of rent due;
- (5) Appropriate funds for the judiciary to contract for mediation services; and



- (6) Repeal one year after the expiration date of the final eviction moratorium imposed pursuant to a coronavirus disease 2019 (COVID-19) state of emergency proclamation.

Your Committee received testimony in support of this measure from the Hawaii Housing and Finance Development Corporation, Department of Commerce and Consumer Affairs, Catholic Charities Hawai'i, and Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that, due to the COVID-19 pandemic, thousands of Hawaii residents have lost their jobs, including both housing providers and renters. To help protect those unable to pay rent, there has been an eviction moratorium in Hawaii since April 2020, and a federal eviction moratorium is currently set to expire on April 13, 2021. Hawaii cannot afford a new surge in homelessness, nor can it afford a wave of outmigration of working families seeking other alternatives on the mainland. Accordingly, this measure provides a balanced approach by encouraging communication between both the renter and landlord, facilitates mediation to help both parties understand their options, and benefits the Judiciary by reducing the large number of summary possession cases it will need to dispose of when the COVID-19 pandemic eviction moratoriums ultimately expire.

Your Committee notes that the companion to this measure, S.B. No. 1388, S.D. 2 (Regular Session of 2021), which was previously passed by the Senate, is a substantially similar measure that also extends the period of a notice of summary possession from five days to fifteen days, requires landlords to enter into mediation, and delays when a landlord may seek possession of a dwelling unit if the tenant schedules or attempts to schedule mediation. Your Committee concludes that the language in S.B. No. 1388, S.D. 2, is preferable because it contains a purpose and findings clause, contains preferred clarifying amendments, and does not contain appropriation language.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 1388, S.D. 2, a substantially similar measure, which:

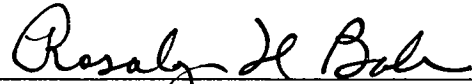


- (A) Extends the required period for a notice of summary possession from five days to fifteen days;
 - (B) Requires landlords to provide notice with specified terms and enter into mediation;
 - (C) Delays when a landlord may seek possession of a dwelling unit if the tenant schedules or attempts to schedule mediation;
 - (D) Requires landlords to provide the notice to mediation centers that offer free mediation for residential landlord-tenant disputes;
 - (E) Restricts when a landlord may exercise these remedies depending on the amount of rent due; and
 - (F) Repeals one year after expiration of the Governor's final eviction moratorium emergency supplementary proclamation related to the COVID-19 pandemic;
- (2) Inserting an effective date of July 1, 2021; 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 H.B. No. 1376, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1376, H.D. 2, 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,



ROSALYN H. BAKER, Chair



