

ON THE FOLLOWING MEASURE:

H.B. NO. 2742, RELATING TO THE LANDLORD-TENANT CODE.

BEFORE THE:

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

DATE:	Tuesday, February 6, 2024	TIME: 2:00 p.m.
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LOCATION: State Capitol, Room 329 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or Christopher T. Han or Bryan C. Yee, Deputy Attorneys General

Chair Nakashima and Members of the Committee:

The Department of the Attorney General has legal concerns regarding this bill and provides the following comments.

This bill (1) requires the suspension of sections 521-68 and 521-71, Hawaii Revised Statutes (HRS), and chapter 666, HRS, under the various proclamations relating to wildfires issued by the Governor until the proclamations' termination or expiration; (2) requires a mediation process prior to termination of a rental agreement for failure to pay rent after the eviction moratorium due to gubernatorial proclamation relating to wildfires is lifted; (3) requires the Governor to provide notice when the final eviction moratorium will expire; and (4) appropriates funds for the Judiciary to contract for mediation services as provided by the bill. This bill raises multiple legal concerns.

First, this bill raises subject-title concerns with respect to section 3 of this bill. Under article III, section 14, of the Constitution of the State of Hawai'i, "[e]ach law shall embrace but one subject, which shall be expressed in its title." The title of the bill is "Relating to the Landlord-Tenant Code." Section 3, however, does not amend the Landlord-Tenant Code.

Second, section 3 of the bill imposes substantial limitations on landlords without codifying the change. This will make it difficult for both landlords and tenants to know of or find the new requirements. This concern as well as the subject-title issue can be resolved by inserting section 3 into the applicable portion of chapter 521, HRS. For

Testimony of the Department of the Attorney General Thirty-Second Legislature, 2024 Page 2 of 3

example, House Bill No. 2642 inserts similar mediation procedures in the chapter by amending section 521-68, Hawaii Revised Statutes. However, because this bill only applies to tenancies subject to the emergency proclamation, we recommend that section 3 be codified in the HRS, as a new section in chapter 521, with the following changes to the title and subsection (a) at page 2, lines 17-21, including the addition of prefatory wording. The placement of this section would then need to be reorganized in the bill, to comply with drafting requirements for HRS section order in bills.

Section X. Chapter 521, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"<u>§521-</u>. <u>Pre-litigation mediation for tenancies subject to the</u> <u>emergency proclamation.</u> (a) This section shall apply to any tenancy <u>subject to suspension of sections 521-68, 521-71, and chapter 666, under</u> <u>emergency proclamations issued by the governor and relating to wildfires</u> <u>when it becomes legally permissible to terminate a residential tenancy for</u> <u>nonpayment of rent.</u>" (thereafter, continue with subsections (b) through (k) at page 3, line 1, through page 11, line 14.)

Third, the bill repeatedly utilizes the phrase "final eviction moratorium," which is problematic because no provision of chapter 127A, HRS, would preclude the Governor from reinstating suspensions of law, previously unsuspended, if the Governor decides to reinstate them. Flexibility to suspend and unsuspend laws as the emergency dictates is a hallmark of executive emergency response—it gives the Governor the discretion to balance how best to protect the public interest, particularly in an ongoing, extended emergency. In other words, a "final eviction moratorium" could theoretically be followed by a subsequent moratorium if the situation required, and this could lead to unintended consequences.

We also note that the current definition of the phrase "final eviction moratorium" is ambiguous and could apply to any of the proclamations relating to the wildfires issued so far. Page 10, line 20, to page 11, line 3. We would be happy to work with the Legislature on creating a workable definition or an alternative legislative structure.

Testimony of the Department of the Attorney General Thirty-Second Legislature, 2024 Page 3 of 3

Fourth, as currently drafted, section 2 could be construed as mandating that the Governor continue the eviction moratorium until the termination or expiration of any emergency proclamation relating to the Maui wildfires even if the Governor decides that the eviction moratorium is no longer justified. Consequently, we believe the intent may have been to specifically authorize the Governor to continue the eviction moratorium rather than require it.

We recommend substituting the term "shall" to "may" on page 2, lines 11-16, of this bill as follows: "The suspension of sections 521-68 and 521-71, Hawaii Revised Statutes, and chapter 666, Hawaii Revised Statutes, under the various proclamations issued by the governor and relating to wildfires [shall] may continue until termination of the proclamation by the governor or expiration of the proclamation."

Fifth, to protect against any Contract Clause claim, we recommend adding a new section to the bill that provides as follows: "Section ______. This Act shall not be applied so as to impair any contract existing as of the effective date of this Act in a manner violative of either the Constitution of the State of Hawai'i or article I, section 10, of the United States Constitution."

Finally, section 8 regarding the effective date of the Act creates an internal inconsistency. The bill provides that section 2 of this bill—which, in turn, provides for the Governor to continue the eviction moratorium until the termination or expiration of the proclamations—shall take effect "on the date of the expiration of the final eviction moratorium identified in section 2 of this Act." It is unclear how section 2 would apply if it only comes into effect after the "final eviction moratorium" expires.

We recommend section 8, page 13, lines 3-5, be amended as follows: "provided further that [sections 2 and] section 3 of this Act shall take effect on the date of the expiration of the final eviction moratorium identified in section 2 of this Act."

Thank you for the opportunity to offer comments.



The Judiciary, State of Hawai'i

Testimony to the Thirty-Second Legislature, 2024 Regular Session

House Committee on Consumer Protection & Commerce Representative Mark M. Nakashima, Chair Representative Jackson D. Sayama, Vice Chair

Tuesday, February 6, 2024 at 2:00 p.m. State Capitol, Conference Room 329 & Videoconference

by Judge Jeffrey P. Crabtree (ret.) Director, Center for Alternative Dispute Resolution

Bill No. and Title: House Bill No. 2742, Relating to the Landlord-Tenant Code

Purpose: Requires pre-litigation mediation before eviction proceedings for Maui tenants.

Judiciary's Position:

The Hawai'i State Judiciary Center for Alternative Dispute Resolution is submitting testimony in support of House Bill No. 2742.

To protect Maui tenants who are struggling to pay rent, the Governor placed a moratorium on evictions. The moratorium will lapse, potentially causing numerous evictions in an alreadyvulnerable population. An early landlord-tenant mediation program through House Bill No. 2742 would help both landlords and tenants avoid the eviction process with voluntary agreements between tenants and landlords.

Early mediation following a moratorium on evictions has already proven successful in Hawai'i. In 2021, following the lifting of the moratorium on evictions created during the pandemic, Act 57 was implemented. During the one-year period that the Act 57 early mediation program was in effect, 1,660 landlord-tenant cases involving past due rent were mediated statewide, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants and their families to remain in their residence. House Bill No. 2742 is modeled after Act 57 and will enable Testimony to the House Committee on Consumer Protection & Commerce House Bill No. 2742, Relating to the Landlord Tenant Code February 6, 2024, 2:00 p.m. Page 2

landlords and tenants on Maui to negotiate payment plans, keep tenants housed, and avoid the eviction process.

Even after the rent relief expired, the Mediation Center of the Pacific ("MCP") continued with its pre-litigation mediation program. MCP reports it received 383 requests for early mediation, primarily from tenants. Not all of those requests were mediated because many landlords declined as they were not required to participate. Of the 383 requests, 119 tenants and landlords did mediate. Eighty mediations reached agreement. That's 67% – a strong rate of success even without rent relief.

We urge you to pass House Bill No. 2742 to prevent unnecessary evictions on Maui when the moratorium on evictions ends.

Mahalo for the opportunity to testify on this important bill.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



CATHY BETTS DIRECTOR KA LUNA HO'OKELE

JOSEPH CAMPOS II DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE

TRISTA SPEER DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE

STATE OF HAWAII KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF HUMAN SERVICES KA 'OIHANA MĀLAMA LAWELAWE KANAKA Office of the Director P. O. Box 339 Honolulu, Hawaii 96809-0339

February 5, 2024

To: The Honorable Representative Mark M. Nakashima, Chair House Committee on Consumer Protection & Commerce

FROM: Cathy Betts, Director

SUBJECT: HB 2742 – RELATING TO THE LANDLORD-TENANT CODE.

Hearing:February 6, 2024, 2:00 p.m.Conference Room 329, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure that supports mediation to address eviction proceedings impacted by the Maui Wildfires. DHS defers to the Judiciary, the Department of Commerce & Consumer Affairs, and organizations that provide mediation services. DHS respectfully requests an amendment.

PURPOSE: This bill establishes an alternative process for the termination of the rental agreement that involves mediation. Requires the Governor to notify the Chief Justice, Legislature, and Revisor of Statutes when the final wildfire proclamation will expire. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Appropriates funds.

DHS appreciates the Legislature's effort to incorporate the pre-litigation mediation program that is like the program established by Act 57, Session Laws of Hawaii 2021, during the COVID-19 pandemic. Maui residents are rebuilding their lives and communities, and housing stability is foundational to recovery. During the COVID-19 pandemic, mediation assisted many renters in avoiding eviction or allowed a negotiated move-out that avoided further judicial

February 5, 2024 Page 2

proceedings and judgments. The program also gave assurance to landlords that payment was forthcoming.

Preventing eviction allows families, especially with children, to remain in stable housing, allows children to continue to attend their community schools, and maintains their community social connections. Conversely, housing instability can result in long-term health outcomes, school and employment disruption, and increased family stress.

DHS respectfully requests an amendment to **delete** the proviso on attorney's fees, starting at page 2, lines 5-10,

"...provided that, if the tenant defaults on a mediated agreement or fails to attend a scheduled mediation, the landlord may request payment of all costs, including reasonable attorney's fees, incurred during the prelitigation mediation process."

Allowing landlords to request attorney's fees to include the pre-litigation process and the eviction process may serve as a chill on tenants' willingness to engage in the prelitigation process altogether if they may end up paying for the entire amount of the landlord's attorney's fees. Given the limited housing inventory on Maui, renters and homeowners whose homes were destroyed and are in the process of figuring out how and when they can rebuild may not be able to locate an affordable rental to move into despite their good faith participation in prelitigation mediation and available rental subsidies. Renters facing eviction, may just leave at the end of the tenancy and move to the beach or move into an overcrowded setting rather than incur an additional debt.

Lastly, providing funds for mediation services, civil legal services, and emergency rent relief programs will help families who are back on rent or cannot afford high rental costs and provide support for impacted Maui residents.

Thank you for the opportunity to provide testimony on this measure.

Committee on Consumer Protection & Commerce Hearing Date: Tuesday, February 6, 2024

Submitted by The Mediation Center of the Pacific, Inc. HB 2742 - Relating to the Landlord-Tenant Code

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The Mediation Center of the Pacific is submitting testimony in STRONG SUPPORT OF HB 2742, which establishes and funds a pre-litigation mediation program.

More than 2,200 structures were burned to the ground in the Maui wildfires and left more than 7,000 people in need of shelter. A January 17, 2024, article in the Civil Beat highlighted that there is currently a heightened wave of housing insecurity on Maui, particularly for renters. The article stated, "What was already a tight and expensive market before the August wildfires has contracted further as lucrative rent subsidies, scarce inventory and high demand entice landlords to replace existing tenants with those willing to pay much more, according to interviews with housing advocates, renters and property managers". To protect tenants impacted by the wildfires and are struggling to pay rent, the Governor placed a moratorium on evictions. However, when that moratorium is lifted, there could potentially be hundreds of evictions resulting in displaced families who have already suffered, and possible homelessness. The creation of an early landlord-tenant mediation program through HB 2742 would help landlords and tenants avoid the eviction process and provide them with the opportunity to negotiate payments plans that keep tenants housed and pay the landlords the rent that is owed.

The opportunity for early mediation following a moratorium on evictions has already proven successful in Hawaii. In 2021 following the lifting of the moratorium on evictions created during the pandemic, Act 57 was implemented. During the one-year period that the Act 57 early mediation program was in effect, 1,660 landlord-tenant cases involving past due rent were mediated statewide, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants and their families to remain in their residence. HB 2742 is modeled after Act 57 and will enable landlords and tenants on Maui to negotiate payment plans, keep tenants housed, and avoid the eviction process.

Thousands of tenants, as well as landlords living on Maui have already suffered tremendous loss due to the wildfires. Experiencing an eviction will compound that loss and suffering. Employment of tenants and schooling of their children will be disrupted, leading to a loss of wages, negative health impacts, such as anxiety and depression, and impaired legal records, which will make it harder to find future housing. These added strains and consequences can be avoided through the early mediation program created under HB 2742.

We urge you to pass HB 2742 to prevent a flood of evictions on Maui when the moratorium on evictions ends.

Tracey S. Wiltgen The Mediation Center of the Pacific, Inc.



We empower people to come together to talk and to listen, to explore options, and to find their own best solutions.

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Ku'ikahi Mediation Center is a 501(c)(3) nonprofit organization, donations to which are tax-deductible. We welcome your support! Testimony to: House Committee on Consumer Protection & Commerce Submitted by: Ku'ikahi Mediation Center Hearing Date: Tuesday, February 6, 2024 at 2 pm Hearing Place: Videoconference, Conference Room 329, State Capitol

RE: Strong Support of HB 2742, Relating to the Landlord-Tenant Code

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

As a local non-profit organization, we **strongly encourage you to support HB 2742**, which will establish a free landlord/tenant pre-litigation mediation diversion pilot program that will help avoid eviction and maintain stable tenancies on Maui, critical in the aftermath of the devastating Maui wildfires, especially once the Governor's Maui eviction moratorium expires.

Early mediation following an eviction moratorium has already proved successful in the State of Hawai'i. Because of the COVID pandemic, Hawai'i established a one-year Act 57 Landlord Tenant Eviction Mediation Program to slow the spread of COVID and prevent a "tsunami" of evictions. This program, combined with Emergency Rental Assistance Programs (ERAP), successfully kept tens of thousands of families across the state stably housed during the pandemic.

According to research by Hawai'i Appleseed Center for Law and Economic Justice, an estimated 2,500 evictions are filed each year across the state. Evictions are harmful to our housing ecosystem and the landlords who rely on rent payments and consistent tenants. Evictions are especially harmful to the individual or family losing their home and can led to homelessness. The cost of eviction on individuals and households includes, but is not limited to: interrupted employment and schooling leading to a loss of wages; negative health impacts, such as anxiety and depression; and impaired legal records and credit histories which make it harder to find future housing.

According to estimates provided by the "Eviction Cost Calculator," developed by Innovation for Justice, a social justice-focused legal innovation lab housed at both Arizona Law and University of Utah School of Business, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs. These costs result from the increased need for emergency shelters, in-patient care emergency room at hospitals, and foster care and juvenile detention. According to research by Hawai'i Appleseed Center, for every tax dollar spent on rental assistance and landlord/tenant mediation programs, the public saves six dollars on homeless services.



We empower people to come together to talk and to listen, to explore options, and to find their own best solutions.

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ADMINISTRATIVE & PROGRAM ASSISTANT Kaitlyn Lacombe



a partner agency of the

Ku'ikahi Mediation Center is a 501(c)(3) nonprofit organization, donations to which are tax-deductible. We welcome your support! In the County of Hawai'i, Ku'ikahi Mediation Center (KMC) and West Hawai'i Mediation (WHMC), worked jointly on the Act 57 Statewide Landlord Tenant Eviction Mediation Program during the period of August 7, 2021 to August 6, 2022.

Of the 285 Act 57 landlord/tenant cases received via 15-day eviction notices by KMC and WHMC, 53% mediated. Of the cases that mediated, 79% were resolved and 21% were not resolved. Of the cases that did not mediate, 72% conciliated or settled prior to mediation (largely due to the receipt of rental assistance), 22% had tenants chose not to mediate, and 6% were closed for other reasons (e.g., unable to reach tenant). Thus, 76% of all 285 Act 57 landlord/tenant cases were successfully resolved, either through mediated agreements or conciliations and settlements prior to mediation.

Pre-filing programs are more successful at connecting tenants with resources than downstream interventions. Eviction diversion aims to prevent evictions from reaching the courts and diverts existing cases away from formal legal proceedings in the hopes of reducing harm and increasing housing stability.

According to nationwide studies by the Harvard Dispute System Design Clinic, research shows that there is support for eviction diversion programs. Although most landlords have no experience with mediation, a majority of those surveyed agreed that it would "more efficient" than going to court. Despite lack of familiarity, nearly three-quarters of landlords surveyed were more inclined to resolve housing disputes with tenants outside of court.

Establishing a post-wildfire Maui landlord/tenant mediation diversion pilot program is crucial step to reduce the social and financial harm caused by evictions, which negatively affect both landlords and tenants. The goal of eviction diversion goes beyond finding immediate solutions for owners and renters, it is also about keeping people housed in a safe and stable way.

We strongly urge you to pass this legislation to prevent a "tsumani" of evictions in Maui, whose population has already suffered enough. Thank you for reading this testimony.

Mahalo,

Julie Mitchell Executive Director



808-737-4977

February 6, 2024

The Honorable Mark M. Nakashima, Chair

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

RE: House Bill 2742, Relating to Eviction Mediation

HEARING: Tuesday, February 6, 2024, at 2:00 p.m.

Aloha Chair Nakashima, Vice Chair Sayama, 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 Hawai'i and its over 11,000 members. HAR provides **comments** on House Bill 2742, which establishes an alternative process for the termination of the rental agreement that involves mediation. Requires the Governor to notify the Chief Justice, Legislature, and Revisor of Statutes when the final wildfire proclamation will expire. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Appropriates funds.

We appreciate the intent of this measure and support peaceful and expeditious mediation coupled with rent relief to aid struggling tenants. During the COVID-19 pandemic when there was an eviction moratorium, Act 57 was passed to create a mediation process for housing providers and tenants to engage in. A large part of the success of the program was that emergency rent relief was available and it was often paid directly to the housing provider. This helped both tenants struggling to make their rent payments as well as housing providers who may have mortgage payments. **Without emergency rent relief, the mediation process alone may not help these tenants who are struggling to pay rent.**

As such, HAR would respectfully recommend that this measure should also include rent relief to be paid directly to the housing provider to ensure that payments are not inadvertently lost or delayed ensuring the success of any proposed mediation process and help tenants avoid eviction.

HAR would also recommend that this measure require tenants to participate in mediation as well as landlords to avoid delays and encourage both parties to find resolution.

Mahalo for the opportunity to provide comments on this measure.



Committee on Consumer Protection & Commerce Hearing Date: Tuesday, February 6, 2024

Submitted by The Mediation Center of the Pacific, Inc. HB 2742 - Relating to the Landlord-Tenant Code

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The Mediation Center of the Pacific is submitting testimony in STRONG SUPPORT OF HB 2742, which establishes and funds a pre-litigation mediation pilot program.

More than 2,200 structures were burned to the ground in the Maui wildfires and left more than 7,000 people in need of shelter. A January 17, 2024, article in the Civil Beat highlighted that there is currently a heightened wave of housing insecurity on Maui, particularly for renters. The article stated, "What was already a tight and expensive market before the August wildfires has contracted further as lucrative rent subsidies, scarce inventory and high demand entice landlords to replace existing tenants with those willing to pay much more, according to interviews with housing advocates, renters and property managers". To protect tenants impacted by the wildfires and are struggling to pay rent, the Governor placed a moratorium on evictions. However, when that moratorium is lifted, there could potentially be hundreds of evictions resulting in displaced families who have already suffered, and possible homelessness. The creation of an early landlord-tenant mediation program through HB 2742 would help landlords and tenants avoid the eviction process and provide them with the opportunity to negotiate payments plans that keep tenants housed and pay the landlords the rent that is owed.

The opportunity for early mediation following a moratorium on evictions has already proven successful in Hawaii. In 2021 following the lifting of the moratorium on evictions created during the pandemic, Act 57 was implemented. During the one-year period that the Act 57 early mediation program was in effect, 1,660 landlord-tenant cases involving past due rent were mediated statewide, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants and their families to remain in their residence. S.B. 24-0408 is modeled after Act 57 and will enable landlords and tenants on Maui to negotiate payment plans, keep tenants housed, and avoid the eviction process.

Thousands of tenants, as well as landlords living on Maui have already suffered tremendous loss due to the wildfires. Experiencing an eviction will compound that loss and suffering. Employment of tenants and schooling of their children will be disrupted, leading to a loss of wages, negative health impacts, such as anxiety and depression, and impaired legal records, which will make it harder to find future housing. These added strains and consequences can be avoided through the early mediation program created under HB 2742.

We urge you to pass HB 2742 to prevent a flood of evictions on Maui when the moratorium on evictions ends.

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Mediation Services of Maui, Inc. (MSM) wholeheartedly supports HB2742, which establishes and funds a pre-litigation mediation pilot program.

For more than 40 years, MSM has facilitated mediation for Maui County. The innovative approach of mandatory mediation before landlords can proceed with an eviction significantly fosters fair and compassionate housing solutions for our community.

In 2021, a moratorium on evictions was ordered in Hawai'i due to the Covid pandemic. Once the moratorium was lifted, Act 57 was put in place, and our agency served more than 700 eviction cases during the lifespan of this legislation. Frequently, our case managers heard the cries for help and also sighs of relief from tenants and landlords, who, prior to the Act, seemed unable to speak to one another, much less resolve any rental dispute.

Housing stability is a fundamental aspect of a thriving and harmonious society. On August 8, 2023, Maui fires left more than 2,200 structures destroyed and an estimated 7,000 residents houseless. With the current challenges facing renters and landlords alike, it is crucial to explore alternative avenues that prioritize understanding, communication, and resolution. HB 2742 embraces these values by introducing mandatory mediation, creating a space where both parties can voice their concerns, explore potential compromises, and work towards sustainable resolutions.

The mediation process outlined in this bill not only empowers tenants and landlords to find common ground but also provides an opportunity to address underlying issues contributing to the dispute. By fostering open communication, we can mitigate the often adversarial nature of landlord-tenant relationships and, in turn, cultivate a more resilient and compassionate community.

Furthermore, the proposed legislation aligns with the broader goals of creating a more equitable housing landscape. In a time when housing affordability is a pressing concern, HB 2742 demonstrates a commitment to finding practical solutions that balance the needs of both landlords and tenants.

We urge you to pass HB2742 to help protect our county from a flood of evictions.

Mahalo for your consideration,

Bevanne J. Bowers, Esq. Executive Director Mediation Services of Maui, Inc. 808.244.5744 ext. 203 Committee on Consumer Protection & Commerce Hearing Date: Tuesday, February 6, 2024

Submitted by Mediation Services of Maui, Inc. HB 2742 – Relating to the Landlord-Tenant Code

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Mediation Services of Maui, Inc.is submitting testimony in STRONG SUPPORT OF HB 2742, which establishes and funds a pre-litigation mediation pilot program.

Maui experienced a large devastation last year in August 2023 due to wildfires that claimed lives, loss of business, loss of jobs, and most of all, loss of residential homes and rental units for more than 7,000 people. Where do the displaced go for shelter? Maui already has a housing crisis – scarcity of rental units. What about tenants, whose residence are jeopardized when landlords want to evict the current tenants and replace them with future tenants, who can pay a higher rent to get in? Where do these people go? Losing a job to wildfires means no income to pay for rent. Losing a residential home or a rental home through the fire means no housing. That causes a lot of stress, anxiety and much more. Right now there's an eviction moratorium in place to protect tenants impacted by the wildfires and are struggling to pay rent.

What happens when the current eviction moratorium is lifted? Many families will be faced with evictions. How can HB 2742 help Maui's community? The creation of an early landlord-tenant mediation program through HB 2742 would help landlords and tenants avoid the eviction process and provide them with the opportunity to negotiate payment plans that keep tenants housed and pay the landlords the rent that is owed.

In 2021, Act 57 was in place after the eviction moratorium (due to the pandemic) was lifted, effective in August 2021- August 2022. Maui Mediation Services mediated cases that came through our office between landlords, property managers, and tenants. We were able to help both parties resolve with payment plan agreements to deter tenants from being evicted or going to court. Other cases reached agreements giving tenants more time to vacate the property. The mediation process became a valuable tool to the Maui community as a whole, giving them the opportunity resolve their landlord/tenant issues through mediated agreements.

We urge you to pass HB 2742 to prevent a flood of evictions on Maui when the moratorium on evictions ends.

Respectfully,

Priscilla Veilleux Landlord Tenant Coordinator Maui Mediation Services