

STAND. COM. REP. NO.

157

Honolulu, Hawaii

, 2023

**FEB 08**

RE: H.B. No. 1439

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 1439 entitled:

"A BILL FOR AN ACT RELATING TO EVICTION MEDIATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a Pre-Litigation Mediation Pilot Program;
- (2) Require landlords to participate in mediation before filing an action for summary possession;
- (3) Establish the Emergency Rent Relief Program; and
- (4) Appropriate funds.

Your Committee received testimony in support of this measure from the Judiciary, Department of Human Services, Hawaii Public Housing Authority, one member of the Hawai'i County Council, Hawai'i Health & Harm Reduction Center, Mediation Center of the Pacific, Ku'ikahi Mediation Center, Hawai'i State Coalition Against Domestic Violence, Hawai'i Children's Action Network Speaks!, Hawai'i Housing Affordability Coalition, Papa Ola Lokahi, Planning for Community LLC, Hawaii Appleseed Center for Law & Economic Justice, Family Promise of Hawai'i, and four individuals.

2023-1266 HB1439 HD1 HSCR HMSO



Your Committee finds that when the coronavirus disease 2019 pandemic began, there were predictions that thousands of evictions would flood the court system. To avert this crisis, the Legislature enacted Act 57, Session Laws of Hawaii 2021 (Act 57), which modified the notice requirements for residential summary possession cases, mandated pre-filing mediation, and made funding available for pre-filing mediation services and rent relief. Your Committee further finds that under Act 57, eighty-five percent of cases mediated statewide settled without litigation and, in the First Circuit, eighty-five percent of these settlements resulted in tenants remaining in their homes. Act 57 was in effect until August 6, 2022, and demonstrated how the combination of a robust pre-litigation mediation process with rental relief led to significantly better outcomes for local families struggling to make ends meet. Your Committee therefore finds that establishing a rental assistance and early landlord-tenant mediation program, as proposed by this measure, will build upon the successes achieved under Act 57.

Your Committee further notes that the counties may have existing rental relief programs and it is not the intent of this measure to allow individuals to participate in both a county program and a state program. As such, your Committee believes this should be taken into consideration as this measure proceeds through the legislative process.

Your Committee has amended this measure by:

- (1) Changing the appropriation for the Judiciary to contract for mediation services to an unspecified amount;
- (2) Specifying that participants in the Emergency Rent Relief Program are limited to a maximum of \$5,000 under the program;
- (3) Clarifying that participants in the Emergency Rent Relief Program may choose to receive rent relief either as a lump sum payment of \$3,000 plus four monthly payments of \$500 or ten monthly payments of \$500;
- (4) Increasing the yearly cap of payments allowed under the Emergency Rent Relief Program to \$11,250,000;



- (5) Clarifying that the requirements for the Hawaii Public Housing authority to establish rules and qualification standards apply to the Emergency Rent Relief Program and its participants, rather than the Pre-Litigation Mediation Pilot Program;
- (6) Expanding the authorized uses of the appropriation for the Emergency Rent Relief Program to be used to cover administrative costs of the program;
- (7) Making the Pre-Litigation Mediation Pilot Program effective on September 1, 2023;
- (8) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the total rental relief cost under this measure is estimated to be \$12,250,000, which also includes \$1,000,000 for administrative costs.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$1,250,000 for the Judiciary to contract for mediation services.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1439, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1439, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on  
behalf of the members of the  
Committee on Housing,



TROY N. HASHIMOTO, Chair



Record of Votes of the Committee on Housing

<b>Bill/Resolution No.:</b> HB 1439	<b>Committee Referral:</b> HSG, CPC, FN	<b>Date:</b> 2/3/23		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>HSG Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. HASHIMOTO, Troy N. (C)	✓			
2. AIU, Micah P.K. (VC)	✓			
3. KILA, Darius K.	✓			
4. KITAGAWA, Lisa	✓			
5. MARTEN, Lisa	✓			
6. ONISHI, Richard H.K.	✓			
7. TODD, Chris	✓			
8. MATSUMOTO, Lauren	✓			
<b>TOTAL (8)</b>	8			
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				