
A BILL FOR AN ACT

RELATING TO SECURITY DEPOSITS.

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

1 SECTION 1. Chapter 521, Hawaii Revised Statutes, is
2 amended by adding a new section to part IV to be appropriately
3 designated and to read as follows:

4 "§521- Security deposit alternatives. Upon a tenant's
5 request, a landlord that requires a security deposit as a
6 condition of a rental agreement pursuant to section 521-44(b),
7 shall offer to accept at least one of the following in lieu of
8 the required security deposit:

9 (1) Rental security insurance; provided that:

10 (A) The insurance provider is an approved carrier
11 licensed by, and in good standing with, the
12 insurance division of the department of commerce
13 and consumer affairs;

14 (B) The coverage is effective upon the payment of the
15 first premium and remains effective for the
16 entire lease term; and



1 (C) The coverage provided per claim is not less than
2 the amount the landlord requires for a security
3 deposit; or

4 (2) Payment of the total security deposit over a series of
5 not less than six equal monthly installments, which
6 shall be due on the same day as the monthly rent
7 payment and paid together with the monthly rent
8 payment in a single transaction, absent a separate
9 agreement by the landlord and tenant.

10 Nothing in this section shall be construed as to limit any other
11 provisions or requirements pursuant to section 521-44."

12 SECTION 2. New statutory material is underscored.

13 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 23 2024



H.B. NO. 2512

Report Title:

Security Deposit Alternatives; Rental Security Insurance;
Security Deposit Installments; Residential Landlord-Tenant Code

Description:

Requires a landlord to accept either rental security insurance or security deposit installment payments in lieu of a traditional security deposit, upon a tenant's request.

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