

STAND. COM. REP. NO. **2388**

Honolulu, Hawaii

FEB 14 2024

RE: S.B. No. 3332
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 3332 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Temporarily:
 - (A) Extend the period for a notice of termination of a rental agreement, beginning November 1, 2024;
 - (B) Require landlords to engage in mediation and delay filing an action for summary possession if a tenant schedules or attempts to schedule mediation; and
 - (C) Require landlords to provide specific information in the ten-calendar-day notice to tenants; and
- (2) Make an appropriation.

Your Committee received testimony in support of this measure from The Judiciary; Mediation Center of the Pacific, Inc.; Catholic Charities Hawai'i; Hawai'i State Coalition Against Domestic Violence; Ku'ikahi Mediation Center; Palehua Townhouse Association; Hawai'i Housing Affordability Coalition; Hawaii



Disability Rights Center; Kauai Economic Opportunity, Inc.; and nine individuals.

Your Committee received comments on this measure from the Department of Human Services, Hawaii Appleseed Center for Law and Economic Justice, and Hawai'i Association of REALTORS.

Your Committee finds that many Hawaii residents continue to face challenges paying their rent. Your Committee further finds that Act 57, Session Laws of Hawaii 2021 (Act 57), encouraged communication and facilitated mediation between landlords and tenants to help encourage collaborative solutions and reduce evictions when possible. Your Committee finds that although the provisions of Act 57 have since expired, the pre-litigation mediation program's success warrants the readoption of its most effective provisions. Therefore, this measure would reimplement certain provisions of Act 57 and encourage tenants and landlords to engage in early mediation.

Notwithstanding, your Committee notes that a separate measure, S.B. No. 3331 (2024), which was concurrently heard by your Committee, is a substantially similar measure that also encourages mediation between landlords and tenants. Your Committee concludes that the language in S.B. No. 3331 (2024), is preferable, as it resolves the potential subject-title concerns raised by the Department of Attorney General with respect to the provisions of this measure in its current form. Your Committee also acknowledges the separate concerns raised in testimony with respect to various provisions of S.B. No. 3331 (2024), regarding the lack of a rent relief program with respect to S.B. No. 3332. Therefore, amendments to this measure are necessary to address these various issues.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 3331 (2024), a substantially similar measure, and further amending the measure to:
 - (A) Codify the pre-litigation mediation program into chapter 521, Hawaii Revised Statutes;



- (B) Amend the definition of "final eviction moratorium";
 - (C) Clarify that the Governor may continue the eviction moratorium until the termination or expiration of any emergency proclamation; and
 - (D) Delete language that would have allowed a landlord to request all costs incurred during the pre-litigation mediation process if a tenant defaults on a mediated agreement or fails to attend a scheduled mediation;
- (2) Inserting language to establish an emergency rent relief program available to participants in pre-litigation mediation and appropriating funds accordingly;
 - (3) Inserting language to specify that this measure shall not be applied so as to impair any contract in a manner that violates either the Hawaii State Constitution or the United States Constitution;
 - (4) Amending section 1 to reflect its amended purpose;
 - (5) Inserting an effective date of July 1, 2040, to encourage further discussion; and
 - (6) 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 S.B. No. 3332, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3332, 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,




JARRETT KEOHOKALOLE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3332	CPN, WAM/JDX	2/7/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton				✓
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes