



## *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

Wednesday, February 14, 2024 at 2:00 p.m.  
State Capitol, Conference Room 329 & Videoconference

by

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

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**Bill No. and Title:** House Bill No. 2642, H.D. 1, Relating to Eviction Mediation.

**Purpose:** Beginning 11/1/2024, extends the period for a notice of termination of a rental agreement. Requires tenants and landlords to engage in mediation. Delays filing an action for summary possession if a tenant schedules or attempts to schedule mediation. Requires landlords to provide specific information in the 10-calendar-day notice to tenants. Appropriates funds. Repeals 11/1/2026. Effective 7/1/3000. (HD1)

### **Judiciary's Position:**

The Hawai‘i State Judiciary Center for Alternative Dispute Resolution strongly supports House Bill No. 2642, H.D. 1, which establishes and funds a pre-litigation mediation pilot program.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawai‘i continues to grow. According to research by Hawai‘i Appleseed Center for Law and Economic Justice, there are an estimated 2,500 evictions filed each year across the state of Hawai‘i.

Finding ways to resolve disputes between landlords and tenants and enhance housing stability benefits everyone. The pre-litigation mediation program will increase housing stability by

encouraging tenants and landlords to coordinate in conflict resolution, thus enabling tenants to remain housed and providing landlords with their rental income.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawai'i. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions. The results of this Program, in a one-year period, are compelling:

- 1,660 landlord-tenant cases involving past-due rent were mediated;
- 1,415 or 85% reached agreement enabling more than 1,140 tenants to remain in their residence.

It is clear that rent relief was important to the success of Act 57, and so was pre-litigation mediation. Early mediation helps the parties reach an agreement before extra costs are incurred in litigation causing positions to harden. The statistics bear this out. After the rent relief program 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.

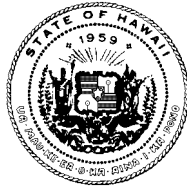
Like the Act 57 Program, House Bill No. 2642, H.D. 1 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

Ideally, a pre-litigation mediation program helps keep tenants in their residences. In the alternative, it can help them with extra time to find another place they can afford.

Finally, evictions create large costs to taxpayers. According to estimates provided by the "Eviction Cost Calculator," developed by Innovation for Justice, a social justice-focused legal innovation lab, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs resulting in the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care and juvenile detention. Establishing a pre-litigation landlord-tenant mediation program can help reduce the social and financial harm caused by evictions.

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

January 18, 2024

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

FROM: Cathy Betts, Director

SUBJECT: **HB 2642 HD1 – RELATING TO EVICTION MEDIATION.**

Hearing: February 14, 2024, 2:00 p.m.  
Conference Room 329, State Capitol & Video Conference

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this measure and defers to the Judiciary, the Department of Commerce & Consumer Affairs, and organizations that provide mediation services. DHS also provides a comment of concern.

**PURPOSE:** Beginning 11/1/2024, this measure extends the period for a notice of termination of a rental agreement. Requires tenants and landlords to engage in mediation. Delays filing an action for summary possession if a tenant schedules or attempts to schedule mediation. Requires landlords to provide specific information in the 10-calendar-day notice to tenants. Appropriates funds. Repeals 11/1/2026. Effective 7/1/3000. (HD1)

The Committee on Housing amended the measure by:

- (1) Specifying that if either the tenant or landlord schedules mediation, both parties shall participate;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

DHS appreciates the Legislature's effort to incorporate the pre-litigation mediation program temporarily established by Act 57, Session Laws of Hawaii 2021. Mediation assisted many low-income renters in avoiding eviction or allowed a negotiated move-out that avoided further judicial 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 also supports proposals that add funds for rent relief and rent subsidy programs. Rental assistance will help families who are having difficulty meeting their housing needs and contribute to a more resilient community.

DHS does have a concern with the proviso regarding attorney fees in paragraph (h), page 9, lines 16 – 20, requiring the tenant to pay attorney's fees, including those incurred during mediation. DHS suggests deleting the proviso as despite the tenant's good faith participation in mediation, the lack of available housing inventory makes it very difficult to find an affordable rental to move into, and adding additional debt upon the tenant may lead tenants to vacate the beach or other overcrowded living situation.

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

February 14, 2024

**The Honorable Mark M. Nakashima, Chair**

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

**RE: House Bill 2642, HD1, Relating to Eviction Mediation**

**HEARING: Friday, February 2, 2024, at 10:00 a.m.**

Aloha Chair Evslin, Vice Chair Aiu, 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 2642, HD1, which beginning 11/1/2024, extends the period for a notice of termination of a rental agreement. Requires tenants and landlords to engage in mediation. Delays filing an action for summary possession if a tenant schedules or attempts to schedule mediation. Requires landlords to provide specific information in the 10-calendar-day notice to tenants. Appropriates funds. Repeals 11/1/2026. Effective 7/1/3000.

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.**

Additionally, the proposed measure extends the notice period for unpaid rent from 5 business days to 10 calendar days. However, it lacks a specific timeframe for completing mediation. Extending the notice period without setting a fixed mediation completion deadline could further prolong the process.

Mahalo for the opportunity to provide comments on this measure.



# HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice  
Support for H.B. 2642 – Relating to Eviction Mediation  
House Committee on Consumer Protection & Commerce  
Wednesday, February 14, 2024, at 20:00PM, Conf. Rm. 329 and via Videoconference

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Dear Chair Nakashima, Vice Chair Sayama, and fellow committee members:

Thank you for the opportunity to express our support for the intent of this bill and offer our **COMMENTS on HB2642**, which will establish a pre-litigation mediation. We also offer suggested amendments to provide rent relief attached to pre-litigation mediation.

Since the beginning of the COVID-19 pandemic in early 2020, Hawai'i established a temporary emergency rental assistance and landlord-tenant mediation program to prevent evictions and slow the spread of the COVID-19 virus. Combined, these programs have kept tens of thousands of families stably housed during the pandemic. HB2642 attempts to recreate the lessons learned from these programs, which were so effective during the pandemic but falters without rent relief.

Even as the health threats of the pandemic subside, **rent assistance remains a critical component to ensuring housing stability and preventing evictions**. There are an estimated 2,500 evictions 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 in severe cases can lead to homelessness. The cost of eviction on individuals and households include, but is not limited to: interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and; impaired legal records which make it harder to find future housing. Without rent relief, mediation services are simply “kicking the can down the road” until the tenant is either evicted or self evicts.

Evictions also create large public costs. 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 rooms 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**. Ten states have implemented permanent rent relief and assistance programs, below are examples with appropriations and funding mechanisms that these states have utilized to continue rent relief programs:

- Connecticut, “Rent Bank Program”, \$1.5M FY23, Community Investment Account
- Washington D.C., “Emergency Rental Assistance Program”, \$50M FY23; FY24 \$2.2M, State and Local Appropriations
- Massachusetts, “RAFT Program”, \$190M FY24, state budget
- Maryland, “Rental Allowance Program”, \$2M FY24, General Fund

- Minnesota, “Family Homeless Prevention and Assistance Program”, \$50M FY23; \$55M FY24; \$10M FY25, General Fund
- New Jersey (all municipalities), “Comprehensive Eviction Defense and Diversion (CEDD) Program”, \$7.4M FY23, ARPA
- New York, Emergency Rental Assistance Program; \$389M FY23, General Fund
- Multnomah County (OR), Emergency Rental Assistance, \$3.6M FY24, ARPA Direct County Funding
- Virginia, Virginia Eviction Reduction Pilot, \$2.9M CY23
- King County (WA), “Keep King County Housed”, \$20M FY23, State Document Recording Fees

To strengthen and further the impact of HB2642, Hawai‘i Appleseed recommends including language from HB1439, Part II which establishes a rent relief program attached to pre-litigation landlord tenant mediation. Adding a section for rent relief is likely to make the program more effective, and will give tenants the necessary time to attain financial stability instead of simply delaying the eviction process. Mediation can only do so much to keep a tenant housed if it does not have rent relief attached to it.

We understand the total appropriation for the judiciary to contract for mediation services is blank in the current draft, and we want to emphasize the importance of including sufficient amounts for the administration of the program to cover the “true costs” of the administering entities. Ideally, funding will also be included for the provision of navigator services that can assist tenants with finding ways to attain financial stability and rent relief to make the program stronger.

Establishing a rental assistance and landlord-tenant mediation program is a necessary step to reduce the social and financial harm caused by evictions. Please **AMEND HB2642 with a section for rent relief**, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.



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Erika Ginnis

**ADMINISTRATIVE & PROGRAM ASSISTANT**  
Kaitlyn Lacombe

Testimony to: House Committee on Consumer Protection & Commerce

Submitted by: Ku'ikahi Mediation Center

Hearing Date: Wednesday, February 14, 2024 at 2 pm

Hearing Place: Videoconference, Conference Room 329, State Capitol

**RE: Strong Support of HB 2642 HD1, Relating to Eviction Mediation**

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

As a local non-profit organization, we **strongly encourage you to support HB 2642 HD1**, which will promote housing stability by establishing a free landlord/tenant pre-litigation mediation diversion pilot program that will help avoid eviction and maintain stable tenancies.

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 Applesseed 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 Applesseed Center, for every tax dollar spent on rental assistance and landlord/tenant mediation programs, the public saves six dollars on homeless services.

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.

*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!





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Erika Ginnis

**ADMINISTRATIVE & PROGRAM ASSISTANT**  
Kaitlyn Lacombe

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 statewide 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. Thank you for reading this testimony.

Mahalo,

**Julie Mitchell**  
Executive Director

*a partner agency of the*



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## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF HB 2642 HD1: RELATING TO EVICTION MEDIATION

TO: House Committee on Consumer Protection and Commerce  
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i  
Hearing: **Wednesday, 2/14/24; 2:00 PM; via Videoconference and CR 329**

Chair Nakashima, Vice Chair Sayama, and Members, Committee on Consumer Protection and Commerce:

Thank you for the opportunity to testify in support of **HB 2642 HD1**, which establishes and funds a pre-litigation mediation pilot program. I am Rob Van Tassell, with Catholic Charities Hawai'i. **We also urge you to add a rent-relief program to this measure to more effectively prevent evictions.**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 75 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

To effectively end homelessness, Hawai'i must focus on prevention. Currently, many people who are experiencing homelessness are successfully placed into permanent housing. However, it may seem as if nothing is being done since more families, elders, and individuals fall into homelessness, replacing those who have been housed. . Historically, Hawai'i has had about 2,500 evictions filed with the courts each year. The eviction prevention programs developed during the pandemic demonstrated that these programs were highly effective to keep tenants housed and provide financial stability for landlords.

Catholic Charities Hawai'i urges you to **add a rent-relief program to this pre-litigation mediation program.** Both tenants and landlords must benefit from this process to enable tenants to remain in housing. The key for landlords is to get the rent due to them. Without the possibility of rent relief, this may just drag out the eviction process. This would add more stress and trauma for both tenants and landlords.

Hawai'i's people depend on all of us to continue to pay attention to the high personal and systems costs for eviction. The community costs are great. An estimated \$30 million in public and emergency services are needed due to evictions. Mediation and getting landlords and tenants to talk is very important. So is rent relief.

Let's close the spigot and reduce the flow of families into homelessness. If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.





*Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.*

To: House Committee on Consumer Protection & Commerce  
Re: **HB 2642 HD1 – Relating to Abusive Litigation**  
Hawai'i State Capitol & Via Videoconference  
February 14, 2024, 2:00 PM

Dear Chair Nakashima, Vice Chair Sayama, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 2642 HD1**. This bill extends the period for a notice of termination of a rental agreement; requires landlords and tenants to engage in mediation, delays filing an action for summary possession if a tenant schedules or attempts to schedule mediation; and requires landlords to provide specific information in the 10-calendar-day notice to tenants.

About 117,000 children in our state live in families that spend more than 30% of their income on housing, which is considered a high housing cost burden. This equates to 39% of all children in our state, ranking Hawai'i a concerning 49<sup>th</sup> among the states for housing affordability.<sup>1</sup>

It is well established that housing instability has harmful effects on children's health and educational outcomes<sup>2</sup> and that the stresses of childhood poverty have both immediate and long-term effects on keiki's physical and mental health, behavioral self-control, academic achievement, and earnings as adults.<sup>3</sup>

A program similar to the one proposed in this bill, which combined mediation and rent relief during the height of the pandemic, proved highly successful and was credited with preventing hundreds of tenants in our state from being evicted.<sup>4</sup> We should build on that success and use the lessons learned to create a new mediation and rent relief program.

Hawai'i had a housing affordability and homelessness crisis long before the pandemic, and our families with keiki are still suffering the consequences of it. That's why this type of program is so important.

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Thank you,  
Nicole Woo, Director of Research and Economic Policy

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<sup>1</sup> <https://assets.aecf.org/m/resourcedoc/aecf-2023kidscountdatabook-2023.pdf>

<sup>2</sup> <https://housingmatters.urban.org/articles/how-housing-affects-childrens-outcomes>

<sup>3</sup> <https://www.apa.org/pi/ses/resources/indicator/2014/06/childhood-poverty>

<sup>4</sup> <https://www.hawaiipublicradio.org/local-news/2022-10-19/report-mandatory-mediation-saved-hundreds-of-tenants-from-eviction>



**House Committee on Consumer Protection & Commerce**  
**Hearing Date: Wednesday, February 14, 2024**

**Submitted by The Mediation Center of the Pacific, Inc.**  
**HB 2642 HD1 - Relating to Eviction Mediation**

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

The Mediation Center of the Pacific strongly supports HB 2642 HD1. Evictions are harmful for everyone involved. Landlords and tenants both want stability in housing arrangements. For landlords, the process of eviction and finding new tenants is costly. For tenants and their families, the costs are even higher: A forced move may mean the loss of their security deposit and belongings, a change in schools, a longer commute to work, and a negative mark on their rental history that can make finding suitable housing more difficult. For some tenants, eviction will result in homelessness. Finding ways to resolve disputes between landlords and tenants and to increase housing stability benefits everyone. A pre-litigation mediation program supported by HB 2642 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income.

Pre-litigation mediation programs for landlords and tenants have a proven track record of success in Hawaii. In 2021, in response to the ending of the moratorium on evictions and the creation of Act 57, Hawai'i established a statewide early landlord-tenant mediation program to prevent evictions. Through the Program, in a one-year period, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. Like the Act 57 Program, HB 2642 HD1 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

Despite the ending of the restrictions and closures created by the pandemic, the number of eviction filings in Hawaii continues to grow. According to research by Hawai'i Appleseed Center for Law and Economic Justice, there are an estimated 2,500 evictions filed each year across the state of Hawaii. Evictions are harmful to the 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 in severe cases can lead to homelessness. The cost of eviction on individuals and households includes but is not limited to interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and impaired legal records which make it harder to find future housing. A pre-litigation mediation program is needed to keep tenants in their residences or alternately provide them with sufficient time to find an alternate location they can afford.

Finally, evictions also create large public costs. 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 rooms at hospitals, and foster care and juvenile detention. Establishing a pre-litigation landlord-tenant mediation program is a necessary step to reduce the social and financial harm caused by evictions.

Please PASS HB 2642 HD1, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.

A handwritten signature in black ink, appearing to read 'Tracey S. Wiltgen', with a small dot above the final letter.

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



February 14, 2024

Members of the House Committee on Consumer Protection & Commerce:

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Rep. Adrian K. Tam

Rep. Cedric Asuega Gates

Rep. Elijah Pierick

Rep. Mark J. Hashem

Re: HB2642 HD1 Relating to Eviction Mediation

Dear Chair Nakashima, Vice Chair Sayama, and Members of the House Committee on Consumer Protection & Commerce:

The Hawai'i State Coalition Against Domestic Violence (HSCADV) addresses the social, political, and economic impacts of domestic violence on individuals, families, and communities. We are a statewide partnership of domestic violence programs and shelters.

On behalf of HSCADV and our 27 member programs statewide, I respectfully submit testimony in **strong support of HB2642 HD1** which establishes and funds a pre-litigation mediation pilot program.

**Survivors of domestic violence face many challenges when making decisions about their safety. One of the most crucial factors is housing. The ability to find safe and affordable housing is a key economic consideration for survivors when deciding to leave an abusive partner. It's important to recognize the impact of housing insecurity on survivors and to support them in any way possible.** Domestic violence is a leading cause of homelessness. Nationwide, between 22 and 57% of all homeless women report that domestic violence was the immediate cause of their homelessness.<sup>1</sup> Both the O'ahu and Bridging the Gap (for the neighbor islands) Point in Time Count surveys saw an increased trend in the number of people who had experienced domestic violence. In the 2023 "O'ahu Point in Time Count," domestic

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<sup>1</sup> Wilder Research Center, Homelessness in Minnesota 2003 22 (2004); Center for Impact Research, Pathways to and from Homelessness: Women and Children in Chicago Shelters 3 (2004); Nat'l Center on Family Homelessness & Health Care for the Homeless Clinicians' Network, Social Supports for Homeless Mothers, 14 26 (2003); Inst. For Children & Poverty, The Hidden Migration: Why New York City Shelters Are Overflowing with Families (2004); Homes for the Homeless & Inst. For Children & Poverty, Ten Cities 1997-1998: A Snapshot of Family Homelessness Across America 3 (1998); Virginia Coalition for the Homeless, 1995 Shelter Provider Survey (1995)(out of print), cited in Nat'l Coalition for the Homeless, Domestic Violence and Homelessness: NCH Fact Sheet #8 (1999).



violence survivors accounted for 23% of all unsheltered surveyed adults. Survivors of domestic violence are vulnerable to unfair evictions due to the actions of their abusive partners.

The cost of eviction on individuals and households includes but is not limited to: interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and impaired legal records which make it harder to find future housing. Evictions also further exacerbate the cases of homelessness which creates large public costs. These costs result from the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care services. According to estimates provided by the "Eviction Cost Calculator", developed by Innovation for Justice, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs.

As a result of the Covid-19 pandemic and to mitigate the spread of the virus, Hawai'i established a temporary emergency rental assistance and landlord-tenant mediation program to prevent evictions. These programs combined kept over 13,000 families stably housed during the pandemic and were one of the most successful eviction-prevention programs in the nation. Having both tools available for landlords and tenants who went through mediation resulted in 87% of eviction cases settling, compared to the norm of 47%.

Thank you for the opportunity to testify on this important matter.

Sincerely,  
Angelina Mercado, Executive Director





# Hawai'i Housing Affordability Coalition

Testimony of the Hawai'i Housing Affordability Coalition  
**Support with Comments for H.B. 2642 HD1 – Relating to Eviction Mediation**  
House Committee on Consumer Protection & Commerce  
Wednesday, February 14, 2024, at 2:00PM, Conf. Rm. 329 and via Videoconference

**LATE**

Dear Chair Nakashima, Vice Chair Sayama, and fellow committee members:

HiHAC is submitting testimony in **SUPPORT WITH COMMENTS** ON HB2642 HD1, which establishes and funds a pre-litigation mediation pilot program. We also provide suggested amendments to strengthen the legislation.

Evictions carry detrimental consequences that extend beyond the immediate displacement of households. They disrupt communities, strain social services, undermine economic stability, and perpetuate cycles of poverty and inequality.

The cost of eviction on individuals and households includes but is not limited to: interrupted employment and school leading to a loss of wages; negative health impacts, such as anxiety and depression, and impaired legal records which make it harder to find future housing.

Evictions also further exacerbate the cases of homelessness which creates large public costs. Studies estimate that 25% of all evictions led to an individual or family becoming houseless. These costs result from the increased need for emergency shelters, in-patient care emergency rooms at hospitals, and foster care services. According to estimates provided by the "Eviction Cost Calculator", developed by Innovation for Justice, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs.

As a result of the Covid-19 pandemic and to mitigate the spread of the virus, Hawai'i established a temporary emergency rental assistance and landlord-tenant mediation program to prevent evictions. These programs combined kept over 13,000 families stably housed during the pandemic and was one of the most successful eviction-prevention programs in the nation. Having both mediation **and rent relief** available for landlords and tenants who went through mediation resulted in 87% of eviction cases settling, compared to the norm of 47%.

With HB2642 HD1, we commend the legislature for replicating the mediation program that proved highly effective during the pandemic. However, the absence of a rent assistance program attached will undermine its effectiveness in preventing evictions and maintaining housing stability.

Therefore, to strengthen and further the impact of HB2642 HD1, **HiHAC recommends including language which establishes a rent relief program attached to pre-litigation landlord tenant mediation.** Rent relief should include payments to cover both



# Hawai'i Housing Affordability Coalition

outstanding arrears and supplement payments for future rent. If not included, it may simply just delay the eviction process. It's important to offer households the necessary time and resources to attain financial stability, thereby mitigating the risk of future evictions. 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.**

Establishing a rental assistance and landlord-tenant mediation program is a necessary step to reduce the social and financial harm caused by evictions. Please **PASS HB2642 HD1 and consider the suggestions above**, to help prevent evictions and keep our community housed.

Mahalo for the opportunity to testify,

HiHAC  
Hawai'i Housing Affordability Coalition

**HB-2642-HD-1**

Submitted on: 2/12/2024 2:48:10 PM

Testimony for CPC on 2/14/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christy MacPherson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashima, Vice Chair Sayama and members of the House Committee on Consumer Protection & Commerce,

I am in strong SUPPORT of HB2642 HD1. We have seen how this program, *which needs to include rent relief* in order to make it effective, has supported hundreds of Hawai'i's families in being able to remain housed and in preventing increases in homelessness during the pandemic. Our housing crisis has only been exacerbated in recent years and this program is proven to be a win-win solution for renters as well as their landlords.

Mahalo for your consideration.

**HB-2642-HD-1**

Submitted on: 2/12/2024 9:23:23 PM

Testimony for CPC on 2/14/2024 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Will Caron	Individual	Support	Written Testimony Only

Comments:

Eviction mediation, when paired with rent relief, is a proven strategy for keeping people housed, and preventing new cases of houselessness. During the pandemic, the combination of mediation and rent relief funds prevented a spike in evictions. But as housing costs continue to rise, and wages continue to remain chronically low (compared to our cost of living), people are still being priced out of their homes.

While this bill is a good step, in that it creates and funds a mediation program, it lacks a corresponding rent relief fund. Research shows that mediation is most successful when landlords know they will be able to be compensated for unpaid rent via rent relief funds. When rent relief does not exist, mediation often still ends in eviction. Therefore, if the purpose of this bill is to prevent evictions, rent relief is absolutely key.

Evictions cost the state over \$30 million annually in medical, judicial and other costs. Approximately 2,500 individuals experienced eviction in Hawai'i in 2018. If the state were to invest in a permanent rent relief program that provided each of these households with \$3,000 per year in support, the program would cost the state just \$7.5 million annually. This would result in over \$23 million in savings each year.

Please add in a section that creates a permanent rent relief fund to be paired with the mediation program. The rent relief fund does not need to be very large, and will more than pay for itself in savings to the state. Mahalo.

**Committee on Housing**  
**Hearing Date: Wednesday, February 14, 2024**

**Submitted by Laurie Arial Tochiki**  
**HB 2642 - Relating to Eviction Mediation**

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

**I am writing to express my STRONG SUPPORT OF HB 2642, which establishes and funds a pre-litigation mediation pilot program.**

I serve as Chair of the Board of Directors of the Mediation Centers of Hawai'i. The Mediation Centers of Hawai'i unites the Mediation Centers across the state in order work collaboratively and to promote the effectiveness of mediation processes to solve many problems that face members of our community every day.

In response to the pandemic, and eviction mediation program was established to stem the negative consequences of evictions. We learned a lot in that process, including the tremendous impact the program had helping tenants and landlords. Both landlords and tenants benefit from stability in housing arrangements. Both landlords and tenants benefit from curtailing the cost of eviction litigation. The community benefits because housing stability is a critical issue in Hawai'i.

A pre-litigation mediation program supported by HB 2642 will increase housing stability by encouraging tenants and landlords to work out agreements early, enabling the tenants to remain housed and providing the landlords with their rental income.

In a one year period starting in 2021, 1,660 landlord-tenant cases involving past due rent were mediated, with 1,415 or 85% reaching agreement and enabling more than 1,140 tenants to remain in their residence. We will benefit from the continuation of this program. HB 2642 will encourage landlords and tenants to start talking and negotiating agreements before going to court and will build a bridge towards creating a permanent early mediation program in the future.

This is an urgent problem affecting more than 2000 individuals and families in Hawai'i each year. Please PASS HB 2642, to help prevent evictions and keep our island residents housed.

Mahalo,  
Laurie Arial Tochiki, JD, Ph.D