A BILL FOR AN ACT

RELATING TO HOUSING.

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

- 1 SECTION 1. The legislature acknowledges that working
- 2 families in Hawaii are facing increasing housing insecurity and
- 3 displacement. Many renters in Hawaii lose their housing through
- 4 processes that never register as evictions because they happen
- 5 at the end of a lease term. Landlords can decline to renew a
- 6 lease, even for complying tenants, without cause. These
- 7 arbitrary lease nonrenewals are highly disruptive to the lives
- 8 of tenants, and are a cause of poverty, financial insecurity,
- 9 and emotional distress.
- 10 The legislature finds that under the residential landlord-
- 11 tenant code, fixed term leases--for example, a one-year lease--
- 12 have no notice requirement. Instead, landlords are recommended
- 13 to give notice prior to the lease expiration.
- 14 The legislature further finds that short notice or lack of
- 15 notice imposes serious hardship on many tenants, who struggle to
- 16 locate adequate housing in Hawaii's increasingly tight rental
- 17 market and face serious economic burdens to cover the costs of



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- 1 relocation, including application fees, safety deposits, rent,
- 2 and taking days off of work to inspect units and move their
- 3 belongings. Given the realities of Hawaii's current rental
- 4 market, the legislature finds that tenants need additional time
- 5 to secure adequate housing.
- 6 Therefore, the purpose of this Act is to improve tenants'
- 7 ability to secure adequate housing by:
- 8 (1) Requiring, for fixed-term tenancies, a landlord to
- 9 notify a tenant of any intent to raise the rent for
- any subsequent rental agreement or any intent to
- 11 terminate a rental agreement sixty days before the
- 12 expiration of the original rental agreement; and
- 13 (2) Increasing the required notice period for intent to
- 14 terminate for week-to-week tenancies.
- 15 SECTION 2. Section 521-21, Hawaii Revised Statutes, is
- 16 amended to read as follows:
- 17 "\$521-21 Rent. (a) The landlord and tenant may agree to
- 18 any consideration, not otherwise prohibited by law, as rent. In
- 19 the absence of [such] an agreement, and subject to section [521-
- $\frac{20}{71(e)}$ 521-71(f) in the case of holdover tenants, the tenant

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- 1 shall pay to the landlord the fair rental value for the dwelling
- 2 unit.
- 3 (b) Rents shall be payable at the time and place agreed to
- 4 by the parties. Unless otherwise agreed, the entire rent shall
- 5 be payable at the beginning of any term for one month or less,
- 6 and for longer terms in equal monthly installments payable at
- 7 the beginning of each month. When a rental agreement with a
- 8 public assistance recipient requires that the rent be paid on or
- 9 before the third day after the day on which the public
- 10 assistance check is usually received, the tenant shall have the
- 11 option of establishing a new due date by making a one-time
- 12 payment to cover the period between the original due date and
- 13 the newly established date. The new date shall not exceed by
- 14 more than three days, excluding Saturdays, Sundays, and
- 15 holidays, the date on which checks are mailed. The one-time
- 16 payment shall be established by dividing the monthly rental by
- 17 thirty and multiplying the result by the number of days between
- 18 the original and the new due dates.
- 19 (c) Except as otherwise provided in subsection (b), rent
- 20 shall be uniformly apportionable from day to day.

1 (d) When the tenancy is established pursuant to a rental 2 agreement with a term greater than ninety days, the amount of 3 rent for an immediately subsequent tenancy, regardless of 4 whether the immediately subsequent tenancy is pursuant to a 5 subsequent rental agreement, including any renewal, or pursuant 6 to a subsequent month-to-month tenancy, between the same 7 landlord and tenant shall not be increased by the landlord 8 without written notice given sixty consecutive days prior to the 9 expiration of the original rental agreement. 10 [(d)] (e) When the tenancy is from [month to month,] 11 month-to-month, the amount of rent for [such] the tenancy shall 12 not be increased by the landlord without written notice given forty-five consecutive days prior to the effective date of the 13 14 increase. 15 [+(e)] (f) When the tenancy is less than [+(e)]16 month-to-month, the amount of rent for [such] the tenancy shall 17 not be increased by the landlord without written notice given 18 fifteen consecutive days prior to the effective date of the 19 increase. 20 [+f) (g) Where the rental agreement provides for a late

charge payable to the landlord for rent not paid when due, the

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- 1 late charge shall not exceed eight per cent of the amount of
- 2 rent due."
- 3 SECTION 3. Section 521-71, Hawaii Revised Statutes, is
- 4 amended to read as follows:
- 5 "§521-71 Termination of tenancy; landlord's remedies for
- 6 holdover tenants. (a) When the tenancy is month-to-month, the
- 7 landlord may terminate the rental agreement by notifying the
- 8 tenant, in writing, at least forty-five days in advance of the
- 9 anticipated termination. When the landlord provides
- 10 notification of termination, the tenant may vacate at any time
- 11 within the last forty-five days of the period between the
- 12 notification and the termination date, but the tenant shall
- 13 notify the landlord of the date the tenant will vacate the
- 14 dwelling unit and shall pay a prorated rent for that period of
- 15 occupation.
- 16 (b) When the tenancy is month-to-month the tenant may
- 17 terminate the rental agreement by notifying the landlord, in
- 18 writing, at least twenty-eight days in advance of the
- 19 anticipated termination. When the tenant provides notice of
- 20 termination, the tenant shall be responsible for the payment of
- 21 rent through the twenty-eighth day.

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1	(C) Before a landford terminates a month-to-month tenancy
2	where the landlord contemplates voluntary demolition of the
3	dwelling units, conversion to a condominium property regime
4	under chapter 514B, or changing the use of the building to
5	transient vacation rentals, the landlord shall provide notice to
6	the tenant at least one hundred twenty days in advance of the
7	anticipated demolition or anticipated termination. If notice is
8	revoked or amended and reissued, the notice period shall begin
9	from the date it was reissued or amended. Any notice provided,
10	revoked, or amended and reissued shall be in writing. When the
11	landlord provides notification of termination pursuant to this
12	subsection, the tenant may vacate at any time within the one-
13	hundred-twenty-day period between the notification and the
14	termination date, but the tenant shall notify the landlord of
15	the date the tenant will vacate the dwelling unit and shall pay
16	a prorated rent for that period of occupation.
17	(d) When the tenancy is less than month-to-month, the
18	landlord or the tenant may terminate the rental agreement by
19	notifying the other at least [ten] fifteen days before the
20	anticipated termination.

1 (e) When the tenancy is established pursuant to a rental 2 agreement with a term greater than ninety days, the landlord or 3 tenant shall notify the other of any intent to terminate the 4 rental agreement at least sixty days before the expiration of 5 the rental agreement. 6 [(e)] (f) Whenever the term of the rental agreement 7 expires, whether [by passage of time,] by mutual agreement, by 8 the giving of notice as provided in subsection (a), (b), (c), 9 [or] (d), or (e) or by the exercise by the landlord of a right 10 to terminate given under this chapter, if the tenant continues 11 in possession after the date of termination without the 12 landlord's consent, the tenant may be liable to the landlord for 13 a sum not to exceed twice the monthly rent under the previous 14 rental agreement, computed and prorated on a daily basis, for 15 each day the tenant remains in possession. The landlord may 16 bring a summary proceeding for recovery of the possession of the **17** dwelling unit at any time during the first sixty days of holdover. Should the landlord fail to commence summary 18 19 possession proceedings within the first sixty days of the 20 holdover, in the absence of a rental agreement, a month-to-month tenancy at the monthly rent stipulated in the previous rental 21

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- 1 agreement shall prevail beginning at the end of the first sixty
- 2 days of holdover.
- 3 [(f)] (g) Any notice of termination initiated for the
- 4 purposes of evading the obligations of the landlord under
- 5 subsections $[\frac{521-21}{d} \cdot or \cdot (e)]$ 521-21(e) or (f) shall be void."
- 6 SECTION 4. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 5. This Act shall take effect on July 1, 3000;
- 9 provided that section 2 of this Act shall apply to all rental
- 10 agreements entered into on or after the effective date of this
- 11 Act and all rental agreement renewals entered into on or after
- 12 the effective date of this Act.

Report Title:

Housing; Residential Landlord-Tenant Code; Notices; Intent to Raise Rent; Intent to Terminate

Description:

Requires, for fixed-term tenancies, a landlord to notify a tenant of any intent to raise the rent for any subsequent rental agreement or any intent to terminate a rental agreement sixty days before the expiration of the original rental agreement. Increases the required notice period for intent to terminate for week-to-week tenancies. Effective 7/1/3000. (HD1)

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