A BILL FOR AN ACT

RELATING TO EVICTION MEDIATION.

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

1	PART I
2	SECTION 1. The legislature finds that many Hawaii
3	residents continue to face challenges in paying their rent and
4	face eviction. Act 57, Session Laws of Hawaii 2021 (Act 57),
5	encouraged communication and facilitated mediation between
6	landlords and tenants to help reduce summary possession cases.
7	Research indicates that the mediation procedures created by Act
8	57 were widely successful in substantially increasing the number
9	of disputes that were settled in mediation without any summary
10	possession case being filed and the number of settlements in
11	which the parties agreed that the tenant could continue to
12	reside in the dwelling unit. However, the amendments made to
13	the landlord-tenant code by Act 57 have been repealed.
14	The legislature further finds that the availability of
15	rental relief is a key factor to ensuring housing stability and
16	that combining rent relief with a robust pre-litigation
17	mediation process is likely to lead to significantly better

1	outcomes	than	mediation that starts only after litigation is			
2	filed or rent relief alone.					
3	Accordingly, the purpose of this Act is to:					
4	(1) Establish a pilot program that adopts the most					
5		effective provisions of Act 57 that:				
6		(A)	Extends the period for a notice of termination of			
7			the rental agreement from five business days to			
8			ten calendar days;			
9		(B)	Requires landlords to engage in mediation and			
10			delay filing an action for summary possession if			
11			a tenant schedules or attempts to schedule a			
12			mediation; and			
13		(C)	Requires landlords to provide specific			
14			information in the ten-calendar-day notice to			
15			tenants, which shall also be provided to a			
16			mediation center that offers free mediation for			
17			residential landlord-tenant disputes;			
18	(2)	Appr	opriate funds for the pre-litigation mediation			
19		pilot program; and				
20	(3)	(3) Establish an emergency rent relief program available				
21		to p	articipants in pre-litigation mediation to provide			

1 resources that will help avoid eviction and maintain 2 stable tenancies. 3 SECTION 2. Section 521-68, Hawaii Revised Statutes, is amended to read as follows: 4 5 "§521-68 Landlord's remedies for failure by tenant to pay 6 rent[-]; pre-litigation mediation. (a) A landlord or the landlord's agent may, any time after rent is due, demand payment 7 8 thereof and notify the tenant in writing that unless payment is 9 made within a time mentioned in the notice[, not] as provided in 10 subsection (b), no less than [five business] ten calendar days 11 after receipt thereof, the rental agreement will be terminated. 12 [If the tenant cannot be served with notice as required, notice] 13 Notice may be given to the tenant by posting the same in a 14 conspicuous place on the dwelling unit[-], and the notice shall 15 be deemed received on the date of the posting. If the notice is 16 mailed to the tenant via the United States Postal Service, 17 properly addressed, and with appropriate postage, the notice 18 shall be deemed to have been received two business days after 19 mailing, unless the letter is returned to the landlord as 20 undeliverable. If the tenant remains in default $[\tau]$ after the 21 expiration of the time stated in the notice, the landlord may

- thereafter bring a summary proceeding for possession of thedwelling unit or any other proper proceeding, action, or suit
- 3 for possession[-], subject to subsections (b) through (i). The
- 4 notice required by this section need not be given if the action
- 5 is based on the breach of a mediated agreement or other
- 6 settlement agreement or for a summary possession proceeding
- 7 based on matters other than non-payment of rent. If the summary
- 8 possession action is based on the breach of a settlement
- 9 agreement or mediated agreement, the court shall not require any
- 10 further mediation prior to trial.
- 11 (b) The ten-calendar-day notice shall provide the
- 12 following:
- 13 (1) The name of the landlord or the landlord's agent and
- the landlord's or landlord's agent's contact
- information, including, if possible, phone number,
- 16 electronic mail address, and mailing address;
- 17 (2) The address of the dwelling unit subject to the rental
- agreement;
- 19 (3) The name and contact information of all tenants listed
- on the rental agreement, including phone number and,

1		if possible, electronic mail address, and mailing
2		address;
3	(4)	The current amount of the rent due as of the date of
4		the notice, after applying all rent paid from all
5		sources;
6	(5)	That a copy of the ten-calendar-day notice being
7		provided to the tenant is also being provided to the
8		mediation center on the island where the dwelling unit
9		of the tenant is located and, in accordance with
10		subsection (c), in order for the mediation center to
11		contact the landlord and tenant to attempt to schedule
12		a mediation regarding the nonpayment of rent;
13	(6)	That the landlord or landlord's agent may file an
14		action for summary possession if the rent due is not
15		paid and if mediation is not scheduled within ten
16		calendar days after the tenant's receipt of the ten-
17		calendar-day notice, regardless of whether the
18		scheduled mediation session occurs within the ten
19		calendar days;
20	<u>(7)</u>	A warning in bold typeface print in substantially the
21		following form: "If mediation is not scheduled within

ten calendar days after receipt of this notice,
regardless of whether the scheduled mediation session
occurs within the ten-calendar-day period, then the
landlord may file an action for summary possession
after the expiration of the ten-calendar-day period.
If mediation is scheduled before the expiration of the
ten-calendar-day period, regardless of whether the
scheduled mediation session occurs within the ten
calendar days, then the landlord shall only file an
action for summary possession after the expiration of
twenty calendar days following the tenant's receipt of
the ten-calendar-day notice unless you (tenant) fail
to attend or cancel mediation. If the ten-calendar-
day notice was mailed, receipt of notice shall be
deemed to be two days after the date of the postmark.
If the ten-calendar-day notice was posted on the
premises, receipt of notice shall be deemed to be the
date of posting. If an agreement is reached before
the filing of an action for summary possession,
whether through mediation or otherwise, then the
landlord shall not bring an action for summary

I		possession against the tenant for nonpayment of rent,
2		except as provided in any agreement that may be
3		reached or if any such agreement is breached. The
4		landlord shall be required to note the status of the
5		mediation or settlement effort and proof of sending or
6		posting the ten-calendar-day notice to the mediation
7		center in the action for summary possession in the
8		<pre>summary possession complaint.";</pre>
9	(8)	Notice that the eviction may be subject to additional
10		requirements and protections under federal or state
11		law and that the tenant is encouraged to seek the
12		tenant's own legal advice regarding their rights and
13		responsibilities; and
14	<u>(9)</u>	That the landlord or landlord's agent shall engage in
15		mediation if mediation is scheduled.
16	The	judiciary shall prepare a notice form that may be used
17	by landlo	rds and landlords' agents to provide the information
18	required 1	by this subsection and make the form available on its
19	website.	
20	<u>(c)</u>	Landlords or their agents shall provide the ten-
21	calendar-	day notice to a mediation center on the island on which

1	the dwelling unit of the tenant is located that offers free
2	mediation for residential landlord-tenant matters. The
3	mediation center shall contact the landlord or landlord's agent
4	and the tenant to schedule the mediation. If a tenant schedules
5	mediation within the ten-calendar-day period and participates in
6	the mediation, regardless of whether the scheduled mediation
7	session occurs within the ten-calendar-day period, the landlord
8	shall only file a summary possession proceeding after the
9	expiration of twenty calendar days from the date of the tenant's
10	receipt of the ten-calendar-day notice. If the tenant schedules
11	mediation, the landlord shall participate.
12	(d) The summary possession complaint for nonpayment of
13	rent shall include:
14	(1) A document or documents from the mediation center
15	verifying that the landlord provided a copy of the
16	required ten-calendar-day notice to the mediation
17	center or an affirmation from the landlord or the
18	landlord's agent that the notice was provided to the
19	applicable mediation center and by what means the
20	notice was provided to the applicable mediation
21	center; and

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1	(2) If mediation is pending, the date on which the
2	mediation is scheduled.
3	(e) If the mediation has not occurred as of, or been
4	scheduled for a future date after, the return hearing date on
5	the summary possession complaint, the court, in its discretion
6	and based on a finding of good cause, may order a separate
7	mediation.
8	(f) If there is any defect in the ten-calendar-day notice
9	described in subsection (b) provided by the landlord and the
10	court determines the defect was unintentional or immaterial, the
11	court may allow the landlord to cure the defect without
12	dismissing the action for summary possession.
13	(g) Nothing in this section shall impact a landlord's or
14	tenant's other rights and responsibilities under this chapter.
15	(h) The mediation may take place by means of remote
16	communication or in person, or both.
17	(i) If the mediation does not result in an agreement, the
18	landlord or landlord's agent may file an action for summary
19	possession without participating in an additional mediation.
20	$[\frac{b}{b}]$ $\underline{(j)}$ A landlord or the landlord's agent may bring an
21	action for rent alone at any time after the landlord has

- 1 demanded payment of past due rent and notified the tenant of the
- 2 landlord's intention to bring such an action."
- 3 SECTION 3. There is appropriated out of the general
- 4 revenues of the State of Hawaii the sum of \$ or so
- 5 much thereof as may be necessary for fiscal year 2023-2024 and
- 6 the same sum or so much thereof as may be necessary for fiscal
- 7 year 2024-2025 for the judiciary to contract for mediation
- 8 services pursuant to section 2 of this Act.
- 9 The sums appropriated shall be expended by the judiciary
- 10 for the purposes of this part.
- 11 PART II
- 12 SECTION 4. (a) There shall be established within the
- 13 Hawaii public housing authority an emergency rent relief program
- 14 available to participants in pre-litigation mediation pursuant
- 15 to section 521-68, Hawaii Revised Statutes, as amended by this
- 16 Act, to provide resources that will help avoid eviction and
- 17 maintain stable tenancies.
- 18 (b) Participants in the emergency rent relief program
- 19 shall be eligible to receive rent relief payments after
- 20 mediation. Participants shall be limited to a maximum of

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1 \$ under the program and may elect to receive payment 2 in one of the following methods: 3 A one-time payment of \$ to be used for back (1) 4 rent, plus an additional four monthly payments of 5 ; or 6 (2) Ten monthly payments of \$ 7 The total amount of payments each year under the (c) 8 emergency rent relief program shall not exceed \$ 9 The Hawaii public housing authority may enter into (d) 10 memoranda of agreement with the counties or qualified non-profit 11 organizations as necessary to implement this section. The Hawaii public housing authority shall be exempt 12 (e) 13 from chapter 103D, Hawaii Revised Statutes, in selecting a 14 qualified non-profit organization to administer the emergency 15 rent relief program and shall, without regard to chapter 91, Hawaii Revised Statutes, establish rules and qualification 16 **17** standards for the emergency rent relief program; provided that 18 the rules, at a minimum, shall prohibit a tenant from 19 participating in the emergency rent relief program more than 20 once.

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1	SECT	ION 5.	There is	appropi	riated	out of	the gene	eral	
2	revenues	of the S	State of	Hawaii t	the sum	of \$		or s	0
3	much ther	eof as r	may be ne	ecessary	for fi	scal ye	ar 2023	-2024	and
4	the same	sum or s	so much t	chereof a	as may	be nece	ssary fo	or fis	cal
5	year 2024	-2025:							
6	(1)	For an	emergeno	cy rent n	relief	program	to be r	nade	
7		availak	ole only	to parti	cipant	s in th	e pre-l:	itigat	ion
8		mediati	ion pilot	program	ı, purs	uant to	section	ı 521-	68,
9		Hawaii	Revised	Statutes	s, as a	mended	by sect:	ion 2	of
10		this Ad	ct, for t	the purpo	ses of	avoidi	ng evict	cion a	.nd
11		maintai	ining sta	able tena	ncies;	and			
12	(2)	To fund	d the cos	st of adm	niniste	ring th	e emerge	ency r	ent
13		relief	program,	includi	.ng adm	inistra	tive and	ī	
14		monitor	ring expe	enses inc	urred :	by the	Hawaii p	oublic	
15		housing	g authori	ty and t	he non	profit	intermed	liary	
16		recipie	ent.						
17	The	sums app	propriate	ed shall	be exp	ended b	y the Ha	waii	
18	public ho	using au	uthority	for the	purpos	es of t	his Act.		
19				PART	III				

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1	SECTION 6. This Act does not affect rights and duties that
2	matured, penalties that were incurred, and proceedings that were
3	begun before its effective date.
4	SECTION 7. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 8. This Act shall take effect on June 30, 3000;
7	provided that:
8	(1) Section 2 shall take effect on November 1, 2023; and
9	(2) Sections 3 and 5 shall take effect on July 1, 2023;
10	provided further that this Act shall be repealed on
11	November 1, 2025, and section 521-68, Hawaii Revised
12	Statutes, shall be reenacted in the form in which it
13	read on the day prior to the effective date of section
14	2 of this Act.

Report Title:

Pre-litigation Mediation Pilot Program; Landlord; Tenant; Hawaii Public Housing Authority; Emergency Rent Relief Program; Appropriation

Description:

Beginning November 1, 2023, establishes a pre-litigation mediation pilot program that extends the period for a notice of termination of the rental agreement from five business days to ten calendar days, requires landlords to participate in mediation before filing an action for summary possession, and requires landlords to provide specific information in the tencalendar-day notice to tenants and a mediation center that offers free mediation for residential landlord-tenant disputes. Appropriates funds for a pre-litigation mediation pilot program. Creates and appropriates funds for an emergency rent relief program. Effective 6/30/3000. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.