A BILL FOR AN ACT

RELATING TO THE LANDLORD-TENANT CODE.

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

1	SECTION 1. The legislature finds that, due to wildfires or
2	Maui during 2023, thousands of Hawaii residents have lost their
3	jobs and have been unable to pay their rent. The governor has
4	issued proclamations relating to wildfires to provide
5	protections for tenants struggling to pay rent during this time,
6	including an eviction moratorium that prohibits any eviction
7	from a residential dwelling unit for failure to pay rent. The
8	legislature finds, however, that the eviction moratorium will
9	expire. Therefore, a balanced approach is needed to encourage
10	communications and facilitate mediation between landlords and
11	tenants to help reduce the large number of summary possession
12	proceedings that are expected to follow the expiration of
13	certain wildfire proclamations.
14	Accordingly, the purpose of this Act is to:
15	(1) Extend the notice period for summary possession

proceedings from five days to fifteen days for failure

to pay rent;

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1	(2)	Require landiords to provide the notice to mediation
2		centers;
3	(3)	Require landlords to enter into mediation if scheduled
4		by a tenant, which will delay when a landlord may file
5		an action for summary possession except in cases where
6		a tenant cancels the mediation or does not appear; and
7	(4)	Restrict when landlord remedies are available
8		depending on the amount of rent due.
9	SECT	ION 2. Chapter 521, Hawaii Revised Statutes, is
10	amended b	y adding a new section to be appropriately designated
11	and to re	ad as follows:
12	" <u>§</u> 52	1- Pre-litigation mediation for tenancies subject
13	to certai:	n emergency proclamations. (a) This section shall
14	apply to	any tenancy subject to suspension of sections 521-68
15	and 521-7	1 and chapter 666, under emergency proclamations issued
16	by the go	vernor and relating to wildfires when it becomes
17	legally p	ermissible to terminate a residential tenancy for
18	nonpaymen	t of rent.
19	(b)	A landlord or the landlord's agent, any time after
20	rent is d	ue, may demand payment thereof and notify the tenant in
21	writing t	hat unless payment is made within a time period

1	mentioned	l in the notice as provided in subsection (c), not less
2	than fift	een calendar days after receipt thereof, the rental
3	agreement	shall be terminated. If the tenant cannot be served
4	with noti	ce as required, notice may be given to the tenant by
5	posting t	the same in a conspicuous place on the dwelling unit,
6	and the n	otice shall be deemed received on the date of posting.
7	If the te	enant remains in default, the landlord may thereafter
8	bring a s	ummary proceeding for possession of the dwelling unit
9	or any ot	her proper proceeding, action, or suit for possession,
10	subject t	o subsections (c) through (j). The notice required in
11	this sect	ion need not be given if the action is based on the
12	breach of	a mediated agreement or other settlement agreement.
13	(c)	The fifteen-calendar-day notice shall provide, at a
14	minimum,	the following:
15	(1)	The name of the landlord or the landlord's agent and
16		the landlord's or landlord's agent's contact
17		information, including, if possible, phone number,
18		electronic mail address, and mailing address;
19	(2)	The address of the dwelling unit subject to the rental
20		agreement;

1	<u>(9)</u>	That the mediation center will provide proof to the
2		landlord that the notice was received and provide
3		confirmation of the scheduled date and time of
4		mediation;
5	(10)	That the landlord or landlord's agent may file an
6		action for summary possession if the rent due is not
7		paid and if mediation is not scheduled within fifteen
8		calendar days after the tenant's receipt of the
9		fifteen-calendar-day notice, regardless of whether the
10		scheduled mediation session occurs within the fifteen
11		calendar days;
12	(11)	A warning in bold typeface print that says: "If
13		mediation is not scheduled within fifteen calendar
14		days after receipt of the notice, regardless of
15		whether the scheduled mediation session occurs within
16		the fifteen-calendar-day period, then the landlord may
17		file an action for summary possession after the
18		expiration of the fifteen-calendar-day period. If
19		mediation is scheduled before the expiration of the
20		fifteen-calendar-day period, regardless of whether the
21		scheduled mediation session occurs within the fifteen

1	calendar days, then the landlord shall only file an
2	action for summary possession after the expiration of
3	thirty calendar days following the tenant's receipt of
4	the fifteen-calendar-day notice. If the tenant
5	cancels the scheduled mediation or does not appear at
6	the scheduled mediation, the landlord may file the
7	summary possession action immediately and shall not be
8	required to wait for the expiration of the thirty
9	calendar days. If the fifteen-calendar-day notice was
10	mailed, receipt of notice shall be deemed to be two
11	days after the date of the postmark. If the fifteen-
12	calendar-day notice was posted on the premises,
13	receipt of notice shall be deemed to be the date of
14	posting. If an agreement is reached before the filing
15	of an action for summary possession, whether through
16	mediation or otherwise, then the landlord shall not
17	bring an action for summary possession against the
18	tenant, except as provided in any agreement that may
19	be reached. The landlord shall be required to note
20	the status of the mediation or settlement effort and
21	proof of sending or posting the fifteen-calendar-day

1		notice to the mediation center in the action for
2		<pre>summary possession.";</pre>
3	(12)	Notice that the eviction may be subject to additional
4		requirements and protections under state or federal
5		law and that the tenant is encouraged to seek the
6		tenant's own legal advice regarding their rights and
7		responsibilities; and
8	(13)	That the landlord or landlord's agent shall engage in
9		mediation if mediation is scheduled.
10	<u>(d)</u>	Landlords or their agents shall provide the fifteen-
11	calendar-	day notice to any mediation center funded by the State
12	that offe	rs free mediation for residential landlord-tenant
13	matters.	The mediation center shall contact the landlord or
14	landlord'	s agent and the tenant to schedule the mediation. The
15	mediation	center shall offer to facilitate the mediation using
16	remote me	ans, such as video conferencing, telephone, or other
17	similar m	eans, and shall not require in-person mediation. If a
18	tenant sc	hedules mediation within the fifteen-calendar-day
19	period, r	egardless of whether the scheduled mediation session
20	occurs wi	thin the fifteen day period, the landlord shall only
21	file a su	mmary proceeding for possession after the expiration of

1	thirty ca	lendar days from the date of receipt of the notice. If
2	the tenan	t schedules mediation, the landlord shall participate.
3	If the te	nant schedules, but then cancels, a mediation, or if
4	the tenant does not appear at the scheduled mediation, the	
5	landlord	may file the action for summary possession immediately
6	and shall	not be required to wait for the expiration of the
7	thirty ca	lendar days.
8	<u>(e)</u>	The summary possession complaint for nonpayment of
9	rent shal	l include:
10	(1)	A document or documents from the mediation center
11		verifying that the landlord provided a copy of the
12		required fifteen-calendar-day notice to the mediation
13		<pre>center;</pre>
14	(2)	A statement as to whether the landlord or landlord's
15		agent and tenant have participated in, or will
16		participate in, any scheduled mediation; and
17	(3)	If mediation is pending, the date on which the
18		mediation is scheduled.
19	<u>(f)</u>	If the mediation has not occurred as of, or been
20	scheduled	for a future date after, the return hearing date on
21	the summa	ry possession complaint, the court, in its discretion

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1	and based on a finding of good cause, may order a separate
2	mediation.
3	(g) If the mediation has occurred as of the return hearing
4	date on the summary possession complaint, the court, in its
5	discretion and based on a finding of good cause, may order a
6	separate mediation.
7	(h) If there is any defect in the fifteen-calendar-day
8	notice described in subsection (c) provided by the landlord and
9	the court determines the defect was unintentional and
10	immaterial, the court may allow the landlord to cure the defect
11	without dismissing the action for summary possession.
12	(i) No landlord may bring an action for summary possession
13	for possession for a tenant's failure to pay rent except
14	pursuant to this section and as follows:
15	(1) Beginning on the first day after the expiration date
16	of the final eviction moratorium through the
17	thirtieth day after the expiration date of the final
18	eviction moratorium, the rent due shall be equal to or
19	greater than four months of rent;
20	(2) Beginning on the thirty-first day after the expiration
21	date of the final eviction moratorium through the

1		ninety-first day after the expiration date of the
2		final eviction moratorium, the rent due shall be equal
3		to or greater than three months of rent;
4	(3)	Beginning on the ninety-second day after the
5		expiration date of the final eviction moratorium
6		through the one hundred fifty-second day after the
7		expiration date of the final eviction moratorium, the
8		rent due shall be equal to or greater than two months
9		of rent; and
10	(4)	Beginning on the one hundred fifty-third day after the
11		expiration date of the final eviction moratorium
12		through the three hundred sixty-fifth day after the
13		expiration day of the final eviction moratorium, the
14		rent due shall be equal to or greater than one month
15		rent.
16	For]	purposes of this subsection, "final eviction
17	moratoriu	m" means an emergency proclamation or supplementary
18	proclamat	ion, or any extension thereof, issued by the governor
19	and relat	ing to wildfires, that prohibits any eviction from a
20	residenti	al dwelling for a failure to pay rent, and either is
21	not inten	ded to be renewed by the governor or, if renewed or

- 1 extended, is not intended to include any prohibition related to
- 2 evictions from a residential dwelling unit for failure to pay
- 3 rent; provided that nothing in this section shall prevent the
- 4 governor from either renewing or issuing a new emergency
- 5 proclamation that contains a prohibition against eviction from a
- 6 residential dwelling for failure to pay rent if that intention
- 7 should change.
- **8** (j) Each tenant and landlord shall be responsible for
- 9 bearing the party's own costs, including attorney's fees,
- 10 relating to the mediation.
- 11 (k) A landlord or the landlord's agent may bring an action
- 12 for rent alone at any time after the landlord has demanded
- 13 payment of past due rent and notified the tenant of the
- 14 landlord's intention to bring such an action."
- 15 SECTION 3. The suspension of sections 521-68 and 521-71,
- 16 Hawaii Revised Statutes, and chapter 666, Hawaii Revised
- 17 Statutes, under the various proclamations issued by the governor
- 18 and relating to wildfires may continue until termination of the
- 19 proclamation by the governor or expiration of the proclamation.
- 20 SECTION 4. There is appropriated out of the general
- 21 revenues of the State of Hawaii the sum of \$ or so

- 1 much thereof as may be necessary for fiscal year 2024-2025 for
- 2 the judiciary to contract for mediation services required by
- 3 this Act.
- 4 The sum appropriated shall be expended by the judiciary for
- 5 the purposes of this Act.
- 6 SECTION 5. In accordance with section 9 of article VII, of
- 7 the Constitution of the State of Hawaii and sections 37-91 and
- 8 37-93, Hawaii Revised Statutes, the legislature has determined
- 9 that the appropriation contained in this Act will cause the
- 10 state general fund expenditure ceiling for fiscal year 2024-2025
- 11 to be exceeded by \$, or per cent. The reasons
- 12 for exceeding the general fund expenditure ceiling are that the
- 13 appropriation made in this Act is necessary to serve the public
- 14 interest and to meet the needs provided for by this Act.
- 15 SECTION 6. This Act does not affect rights and duties that
- 16 matured, penalties that were incurred, and proceedings that were
- 17 begun before its effective date; provided that any contract in
- 18 effect prior to the effective date of this Act that is
- 19 subsequently renewed or extended on or after the effective date
- 20 of this Act shall comply with the requirements of this Act.

- 1 SECTION 7. This Act shall not be applied so as to impair
- 2 any contract existing as of the effective date of this Act in a
- 3 manner violative of either the Constitution of the State of
- 4 Hawaii or article I, section 10, of the United States
- 5 Constitution.
- 6 SECTION 8. New statutory material is underscored.
- 7 SECTION 9. This Act shall take effect on July 1, 3000;
- 8 provided that the governor shall notify the chief justice,
- 9 legislature, and revisor of statutes no later than twenty days
- 10 prior to the expiration of the final eviction moratorium
- 11 identified in section 2 of this Act, that the governor will not
- 12 issue any further eviction moratoria in response to the
- 13 wildfires; provided further that section 2 of this Act shall
- 14 take effect on the date of the expiration of the final eviction
- 15 moratorium identified in section 2 of this Act.

Report Title:

Landlord-Tenant Code; Summary Possession Proceedings; Notice; Mediation; Wildfires; Moratorium; Emergency Proclamation; Appropriation; Expenditure Ceiling

Description:

Extends the notice period for summary possession proceedings from five days to fifteen days for failure to pay rent. Requires landlords to provide the notice to mediation centers. Requires landlords to enter into mediation if scheduled by a tenant, which will delay when a landlord may file an action for summary possession except in cases where a tenant cancels the mediation or does not appear. Restricts when landlord remedies are available depending on the amount of rent due. Appropriates funds. Effective 7/1/3000. (HD1)

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