STAND. COM. REP. NO. 3635

Honolulu, Hawaii

APR 0 3 2024

RE: S.C.R. No. 183 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.C.R. No. 183 entitled:

"SENATE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS AND MAUI COUNTY TO INVESTIGATE AND ENFORCE APPLICABLE LAWS AGAINST LANDLORDS WHO ARE ENDING RENTAL AGREEMENTS TO HOUSE FEMA-ELIGIBLE HOUSEHOLDS THROUGH THE DIRECT LEASE PROGRAM OR THE DEPARTMENT OF HUMAN SERVICES RENTAL ASSISTANCE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to urge the Department of Commerce and Consumer Affairs and the County of Maui to investigate and enforce applicable laws against landlords who are ending rental agreements to house FEMA-eligible households through the Direct Lease Program or the Department of Human Services Rental Assistance Program.

Your Committee received testimony in support of this measure from Kaibigan ng Lāhaina.

Your Committee received comments on this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs.

Your Committee finds that the Federal Emergency Management Agency (FEMA) and the State have been providing short-term housing

for households that were displaced by the August 2023 Maui wildfire through FEMA's Direct Lease Program and the Department of Human Services' Rental Assistance Program (RAP). Your Committee further finds that because these programs pay above-market rates, it has been reported that some landlords on Maui have been refusing to renew lease agreements with existing tenants to rent the properties to FEMA- or RAP-eligible households in favor of higher rents. Your Committee finds that these incidents are not only unfair and unethical, but may also violate the moratorium on evictions established by the Governor's emergency proclamations. Therefore, this measure urges the Department of Commerce and Consumer Affairs and the County of Maui to address these illegal practices and ensure the stability of housing for residents in Lahaina.

Notwithstanding, your Committee notes the concerns raised by the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, testifying that the responsibility to investigate and enforce applicable laws against unscrupulous landlords who may have violated the Governor's emergency proclamation falls on the Department of the Attorney General. Therefore, amendments to this measure are necessary to address this issue.

Accordingly, your Committee has amended this measure by:

- (1) Urging the Department of the Attorney General, rather than the Department of Commerce and Consumer Affairs and Maui County, to investigate and enforce applicable laws against landlords who are ending rental agreements to house FEMA-eligible households through the Direct Lease Program or the Department of Human Services Rental Assistance Program;
- (2) Amending its title to reflect its amended purpose;
- (3) Updating the list of certified copy recipients by replacing the Director of Commerce and Consumer Affairs and Mayor of the County of Maui with the Attorney General; and
- (4) Making a technical, nonsubstantive amendment 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 concurs with the intent and purpose of S.C.R. No. 183, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 183, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

JERETT 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:	
SCR183	CPN			3/22/24	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WF	R) Nay	Excused
KEOHOKALOLE, Jarrett (C)		V			
FUKUNAGA, Carol (VC)		V			
MCKELVEY, Angus L.K.					
RICHARDS, III, Herbert M. "Ti	m"				
AWA, Brenton					
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TOTAL		3			2
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
Our Julinage					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes