

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'ŌKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

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

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

January 18, 2024

To: The Honorable Representative Luke A. Evslin, Chair
House Committee on Housing

FROM: Cathy Betts, Director

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

Hearing: February 2, 2024, 10:00 a.m.
Conference Room 312, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure.

PURPOSE: Beginning 11/1/2024, extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay 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. Repeals 11/1/2026. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

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

February 1, 2024

Page 2

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.

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



The Judiciary, State of Hawai‘i

Testimony to the Thirty-Second Legislature, 2024 Regular Session

House Committee on Housing

Representative Luke A. Evslin, Chair

Representative Micah P.K. Aiu, Vice Chair

Friday, February 2, 2024 at 10:00 a.m.
Hawai‘i State Capitol, Conference Room 312

by

Hon. Jeffrey P. Crabtree (ret.)

Director, Center for Alternative Dispute Resolution

Bill No. and Title: House Bill No. 2642, Relating to Eviction Mediation.

Purpose: Beginning 11/1/2024, extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay 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. Repeals 11/1/2026. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

Judiciary's Position:

The Hawai‘i State Judiciary Center for Alternative Dispute Resolution strongly supports House Bill No. 2642, 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.

Like the Act 57 Program, House Bill No. 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.

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.

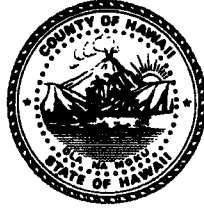
Finally, evictions create large costs to taxpayers. According to estimates provided by the "Eviction Cost Calculator," developed by Innovation for Justice, a social justice-focused legal innovation lab, Hawai'i's estimated 2,500 annual evictions led to over \$30 million in public costs resulting in the 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.

Mitchell D. Roth
Mayor

Deanna S. Sako
Managing Director

Robert H. Command
Deputy Managing Director



Susan K. Kunz
Housing Administrator

Harry M. Yada
Assistant Housing Administrator

County of Hawai'i
Office of Housing and Community Development

1990 Kino'ole Street, Suite 102 • Hilo, Hawai'i 96720 • (808) 961-8379 • Fax (808) 961-8685
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February 1, 2024

TESTIMONY IN SUPPORT OF HOUSE BILL 2642
A BILL FOR AN ACT RELATED TO EVICTION MEDIATION
COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair

Rep. Micah P.K. Aiu, Vice Chair

Hearing Date: Friday, February 2, 2024, at 10:00 AM

Place of Hearing: Conference Room 312 & Videoconference

Aloha Honorable Chairs Evslin and Aiu, and members of the Committee on Housing,

On behalf of the Office of Housing and Community Development of the County of Hawai'i, I am providing comments in **SUPPORT** of **House Bill 2642** which extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay 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.

This bill will encourage collaborative solutions to rent arrearages between landlords, and tenants. It will be a valuable tool in helping to avoid a flood of evictions – and a potential surge in homelessness -- as many Hawai'i Island residents continue to face challenges paying their rent.

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

Mahalo,

A handwritten signature in black ink, appearing to read 'Susan K. Kunz', written over a horizontal line.

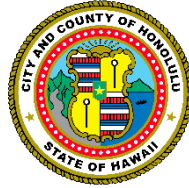
Susan K. Kunz
Housing Administrator



OFFICE OF ECONOMIC REVITALIZATION
KE KE'ENA HO'OMOHALA WAIWAI
CITY AND COUNTY OF HONOLULU

711 Kapi'olani Boulevard, FLOOR 12 • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR
MEIA



AMY ASSELBAYE
EXECUTIVE DIRECTOR
PO'O HO'OKO

KYMBERLY SPARLIN
DEPUTY DIRECTOR
HOPE PO'O

FRIDAY, FEBRUARY 2, 2024

STATE OF HAWAII
HOUSE OF REPRESENTATIVES COMMITTEE ON HOUSING

TESTIMONY ON HOUSE BILL 2642
A BILL RELATING TO PRE-LITIGATION MEDIATION

BY
AMY ASSELBAYE
EXECUTIVE DIRECTOR
OFFICE OF ECONOMIC REVITALIZATION

Dear Chair Evslin, Vice Chair Aiu, and Committee Members:

The Office of Economic Revitalization (OER) **strongly supports** HB 2642, which establishes and funds a pre-litigation mediation pilot program.

OER has been managing the City's Rental and Utility Relief Program since 2021. It is clear that stable housing is the foundation of a diverse and equitable economy. Stable housing allows people to work good jobs, to start new businesses, and for families to stay together.

OER has worked closely with The Mediation Center of the Pacific. Their pre-litigation mediation program for landlords and tenants has had a strong record of success both before and after the State of Hawaii's eviction moratorium (Act 57). Coupled with the emergency rental relief assistance, over 20,000 O'ahu households have stayed in their homes. Similar to Act 57, HB 2642 encourages landlords and tenants to start talking and negotiating agreements before going to court. HB 2642 builds upon the successful pilot of Act 57 towards the creation of a permanent early mediation program.

Please pass HB 2642, to help prevent unnecessary evictions and keep our island residents housed. Mahalo for the opportunity to testify in support of House Bill 2642.

Committee on Housing
Hearing Date: Friday, February 2, 2024

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

Dear Chair Evslin, Vice Chair Aiu, and Members of the Committee:

The Mediation Center of the Pacific is submitting testimony in STRONG SUPPORT OF HB 2642, which establishes and funds a pre-litigation mediation pilot program.

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 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, 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.

Committee on Housing
Hearing Date: Friday, February 2, 2024

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

Dear Chair Evslin, Vice Chair Aiu, 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

HB-2642

Submitted on: 1/31/2024 10:15:14 AM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Golojuch, Sr.	Palehua Townhouse Association	Support	Written Testimony Only

Comments:

Our association strong supports HB2642. Please pass this bill.

Mike Golojuch, Sr. , President



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 Housing
Friday, February 2, 2024, at 10:00AM, Conf. Rm. 312 and via Videoconference

Dear Chair Evslin, Vice Chair Aiu, and fellow committee members:

Thank you for the opportunity to express our **SUPPORT for H.B. 2642**, 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 **PASS HB2642 and add a section for rent relief**, and consider the suggestions above, to help prevent evictions and keep our island residents housed.

Mahalo for the opportunity to testify.



Hawai'i Housing Affordability Coalition

Testimony of the Hawai'i Housing Affordability Coalition
Support for H.B. 2642 – Relating to Eviction Mediation

House Committee on Housing

Friday, February 2, 2024, at 10:00AM, Conf. Rm. 312 and via Videoconference

Dear Chair Evslin, Vice Chair Aiu, and fellow committee members:

HiHAC is submitting testimony in SUPPORT OF HB2642, 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. 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 tools available for landlords and tenants who went through mediation resulted in 87% of eviction cases settling, compared to the norm of 47%.

With HB2642, 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, **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 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



Hawai'i Housing Affordability Coalition

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 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



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 2462: RELATING TO EVICTION MEDIATION

TO: House Committee on Housing

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i

Hearing: **Friday, 2/2/24; 10:00 AM; via Videoconference and CR 312**

Chair Evslin, Vice Chair Aiu, and Members Committee on Housing:

Thank you for the opportunity to testify in support of **HB 2462**, 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. Families who are evicted are at high risk for homelessness. 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 can work to keep tenants housed.

Catholic Charities Hawai'i urges you to **include 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.

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.





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LANDLORD TENANT MEDIATION SPECIALIST
Erika Ginnis

ADMINISTRATIVE & PROGRAM ASSISTANT
Kaitlyn Lacombe

Testimony to: House Committee on Housing
Submitted by: Ku'ikahi Mediation Center
Hearing Date: Friday, February 2, 2024 at 10 am
Hearing Place: Videoconference, Conference Room 312, State Capitol

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

Dear Chair Evslin, Vice Chair Aiu, and Members of the Committee:

As a local non-profit organization, we **strongly encourage you to support HB 2642**, 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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LANDLORD TENANT MEDIATION SPECIALIST
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



Ku'ikahi Mediation Center is a 501(c)(3) nonprofit organization, donations to which are tax-deductible. We welcome your support!

February 2, 2024

The Honorable Luke A. Evslin, Chair

House Committee on Housing

State Capitol, Conference Room 312 & Videoconference

RE: House Bill 2642, 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, which beginning 11/1/2024, extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay 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. Repeals 11/1/2026. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025.

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.**

HAR would also recommend that this measure require tenants to participate in mediation as well as landlords to avoid delays and encourage both parties to find resolution.

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.



February 2, 2024

Members of the House Committee on Housing:

Chair Luke A. Evslin
Vice Chair Micah P.K. Aiu
Rep. Darius K. Kila
Rep. Lisa Kitagawa
Rep. Tyson K. Miyake
Rep. Richard H.K. Onishi
Rep. Chris Todd
Rep. Lauren Matsumoto

Re: HB2642 Relating to Eviction Mediation

Dear Chair Evslin, Vice Chair Aiu, and Members of the House Committee on Housing:

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 which establishes and funds a pre-litigation mediation pilot program. We are a HiHAC - Hawai'i Housing Affordability Coalition member and support their recommended amendments.

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.¹ Both the O'ahu and Bridging the Gap (for the

¹ 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



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 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%.

With HB2642, we commend the legislature for replicating the mediation program that proved highly effective during the pandemic. However, the absence of a rent assistance program will undermine its effectiveness in preventing evictions and maintaining housing stability. Establishing a rental assistance and landlord-tenant mediation program is necessary to reduce the social and financial harm caused by evictions. Please PASS HB2642 and consider HiHAC’s suggestions to help prevent evictions and keep our community housed.

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

Sincerely,
Angelina Mercado, Executive Director

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).

Hawai‘i State Coalition Against Domestic Violence
P.O. Box 214, Honolulu, HI 96810
(808) 832-9316 www.hscadv.org

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 Housing
Re: **HB 2642 – Relating to Eviction Mediation**
Hawai'i State Capitol & Via Videoconference
February 2, 2024, 10:00 AM

Dear Chair Evslin, Vice Chair Aiu, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 2642**. This bill extends the period for a notice of termination of a rental agreement; requires landlords to engage in mediation and delay 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 49th among the states for housing affordability.¹

It is well established that housing instability has harmful effects on children's health and educational outcomes² 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.³

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.⁴ 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

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

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

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

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

HB-2642

Submitted on: 1/31/2024 9:37:20 AM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Cruise	Individual	Support	Written Testimony Only

Comments:

Honorable Chair and Members of the Committee:

Thank you for the opportunity to submit testimony. I have been a member of the Board of Directors of the Mediation Center of the Pacific.

I strongly support HB2642 because it would provide a valuable and proven service that benefits and protects both landlords and tenants. An eviction is a loss for everyone. Eviction litigation only exacerbates those losses, sometimes catastrophically. Eviction mediation has a proven record of mitigating the losses to both landlords and tenants. At a minimum, these mitigated losses are economic. At its greatest, eviction mediation prevents an eviction from resulting in homelessness.

Sincerely,

Mike Cruise

HB-2642

Submitted on: 1/31/2024 9:40:56 AM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Charles Reppun	Individual	Support	Written Testimony Only

Comments:

As a volunteer mediator I have come to understand the importance of having a third party who does not take sides to facilitate discussions. If an agreement is reached in this way, the people involved not only move on with their business/lives in financial positive ways, but also with better communication skills. Please pass this bill.

HB-2642

Submitted on: 1/31/2024 1:41:00 PM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Eviction mediation, when paired with adequate rent relief, is a proven strategy for preventing new cases of houselessness from occurring by keeping people housed. 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 and adds some other safeguards, 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 emergency rent relief funds. When landlords do not have this assurance, they are much less likely to stick with mediation, accept its results, and refrain from filing eviction cases in court. This is key to stopping eviction from proceeding, because research also shows that once a landlord has filed in court, they are unlikely to accept any other outcome other than eviction.

Please add in a section that creates a permanent rent relief fund to be paired with the mediation pilot program. The fund does not need to be very large, but will ensure the pilot program succeeds at its optimal level. Mahalo.

HB-2642

Submitted on: 1/31/2024 4:20:34 PM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Giuseppe Leone	Individual	Support	Written Testimony Only

Comments:

Dear Chair Evslin, Vice Chair Aiu, and Members of the Committee:

I've been a volunteer mediator for the Mediation Center of the Pacific since 1997.

In my experience, numerous mediations between landlords and tenants facing unpaid rent yield success. In these instances, a landlord is spared the daunting task of finding a new tenant, and a tenant avoids the anguish of eviction, sparing their entire family from pain and suffering.

Even in cases where a mediation doesn't culminate in an agreement, a neutral mediator, like myself, plays a crucial role. Beyond facilitating resolution, I can help landlords and tenants truly listen to each other, fostering understanding and, more significantly, encouraging them to treat each other with the utmost respect and dignity.

Mediation is not just about settling disputes; it's about preserving the humanity within the often challenging landscape of landlord-tenant relations.

Please PASS HB 2642.

HB-2642

Submitted on: 1/31/2024 9:12:44 PM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Polk	Individual	Support	Written Testimony Only

Comments:

I strongly support HB3642 that would provide a process of mediation prior to eviction for tenants who have fallen behind on their rent. This is an important bill, because eviction creates major problems for individuals, as well as setting back the State's commitment to reducing homelessness. It is also in the interest of the property owner to not have to look for a new tenant, potentially losing income before another tenant occupies the dwelling.

This idea has already been tried at the end of the pandemic and was very successful in helping people stay in their homes.

Please pass HB2642!

HB-2642

Submitted on: 2/1/2024 9:22:46 PM

Testimony for HSG on 2/2/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joy Schoenecker	Individual	Support	Written Testimony Only

Comments:

I endorse this bill!