
A BILL FOR AN ACT

RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE.

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

1 SECTION 1. The legislature finds that there are numerous
2 barriers to accessing affordable housing for low-income
3 households and people experiencing homelessness. There is
4 significant competition for rental units in the State, with
5 landlords often receiving multiple applications per unit.
6 Individuals and families must often apply to as many open
7 rentals as possible, which can cost hundreds of dollars. While
8 the legislature recognizes that landlords and their agents need
9 to collect application fees in order to vet all applicants, the
10 legislature believes that the costs of multiple applications for
11 prospective tenants can result in significant economic hardship,
12 especially in a tight housing market.

13 The legislature further finds that to help individuals and
14 families seeking rental housing in the State, the legislature
15 enacted Act 200, Session Laws of Hawaii 2023, which authorizes
16 an application screening fee for rental applications and
17 requires costs associated with vetting an application to be used



1 only for that purpose and the return to the applicant of any
2 remaining fees. However, an applicant may still be required to
3 submit multiple application fees to landlords or their agents,
4 who are using those fees to obtain similar information.

5 Allowing an applicant to receive a certified copy of certain
6 information to provide to another landlord or the landlord's
7 agent will further reduce the financial burden of applying for
8 rental units and reduce the work of landlords and their agents
9 to obtain certain information.

10 The legislature additionally finds that certain tenant
11 screening companies already allow tenants to share their reports
12 with as many landlords as they choose for thirty days at no
13 additional cost. Requiring landlords and their agents to accept
14 these reports would reduce the cost to the applicants.

15 Companies that offer these reusable tenant screening reports
16 securely transmit reports to landlords upon the applicant's
17 request, protecting sensitive data, ensuring privacy for the
18 applicant, and agreeing to bear the risk of failure to do so.

19 Accordingly, the purpose of this Act is to:

- 20 (1) Prohibit a landlord or the landlord's agent from
21 charging an application fee for a criminal background



check or credit report if an applicant provides a
certified copy of a criminal background check or
credit report;

- (2) Prohibit a landlord or the landlord's agent from
charging an application fee if a comprehensive
reusable tenant screening report is available; and
- (2) Require a landlord or the landlord's agent to provide,
upon request, a certified copy of an applicant's
criminal background check or credit report.

SECTION 2. Section 521-46, Hawaii Revised Statutes, is
amended by amending subsections (a) and (b) to read as follows:

"(a) When a landlord or the landlord's agent receives a
request from an applicant to rent a dwelling unit, the landlord
or the landlord's agent may charge the applicant an application
screening fee at the time the application is processed for the
dwelling unit to cover the costs of obtaining information about
the applicant; provided that [a]:

- (1) A landlord or the landlord's agent shall only charge
an application screening fee for an applicant who is
eighteen years of age or older or an emancipated
minor[-];



(2) If an applicant provides a landlord or the landlord's agent with a certified copy of the applicant's criminal background check or credit report received within thirty days from another landlord or that landlord's agent, the landlord or the landlord's agent shall not charge an application fee to cover the costs of obtaining another criminal background check or credit report; and

(3) If a comprehensive reusable tenant screening report is made available to the landlord or the landlord's agent and is received within thirty days, the landlord or the landlord's agency shall not charge an application fee.

Information sought by the landlord or the landlord's agent charging the fee may include personal reference checks, tenant reports, criminal background checks, and credit reports produced by any consumer credit reporting agency.

(b) Upon request by the applicant, a landlord or the landlord's agent shall provide to the applicant a:

(1) Receipt for payment of the application screening fee;
[and]



- 1 (2) Breakdown of costs covered by the application
2 screening fee[+]; and
3 (3) Certified copy of the applicant's criminal background
4 checks and credit reports that are less than thirty
5 days old."

6 SECTION 3. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act shall take effect upon its approval.

9

INTRODUCED BY:

Irish La Chica

JAN 17 2025



H.B. NO. 638

Report Title:

Rental Application Screening Fee; Criminal Background Check;
Credit Report; Certified Copies; Reusable Tenant Screening
Report

Description:

Prohibits a landlord or the landlord's agent from charging an application fee for a criminal background check or credit report if an applicant provides a certified copy of a criminal background check or credit report. Prohibits a landlord or the landlord's agent from charging an application fee if a comprehensive reusable tenant screening report is available. Requires a landlord or the landlord's agent to provide, upon request, a certified copy of an applicant's criminal background check or credit report.

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

