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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. This Act shall be known and may be cited as the  
2 Hawaii Tenant Screening Fairness Act.

3 SECTION 2. The legislature finds that low-income  
4 households and people experiencing homelessness face numerous  
5 barriers in the rental housing market. Typically, prospective  
6 tenants often apply for as many open rentals as possible due to  
7 the significant competition for these rental units. While the  
8 legislature recognizes that landlords and their agents have a  
9 legitimate interest in screening applicants, reducing the number  
10 of transactions in which applicants must pay a screening fee  
11 will reduce housing costs and improve access to rental housing.

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



1 remaining fees. However, an applicant may still be required to  
2 submit application fees to multiple landlords or their agents,  
3 who are using those fees to obtain similar information.

4 The legislature additionally finds that tenant screening  
5 companies provide tenant screening reports to landlords and  
6 their agents, and the tenant screening reports from tenant  
7 screening companies are trusted and validated tools for  
8 screening applicants. In many instances, applicants pay each  
9 landlord or their agent to whom they are applying for housing a  
10 fee for the landlord or agent to obtain a screening report.

11 The legislature further finds that many tenant screening  
12 companies already allow applicants to purchase a tenant  
13 screening report. The applicant will have an opportunity to see  
14 what is in the screening report and correct any errors that  
15 appear in the report. Once the applicant purchases a tenant  
16 screening report, at the applicant's direction, the tenant  
17 screening company will provide the screening report directly to  
18 as many landlords or their agents as the applicant desires for  
19 thirty days at no additional cost. The legislature finds that  
20 because the screening report is provided directly to the



1 landlord or their agent by a trusted third-party, the risk of  
2 tampering with screening reports is virtually eliminated.

3       The legislature also finds that requiring landlords and  
4 their agents to accept the tenant screening reports from a  
5 tenant screening company would reduce the cost to the  
6 applicants. The tenant screening companies that provide these  
7 services are trusted by many landlords and agents to protect  
8 sensitive data, ensuring privacy for the applicant, and bear the  
9 risk when failing to do so. Because the tenant screening  
10 companies are trusted to faithfully carry out the service when  
11 the landlord makes the request for a tenant screening report,  
12 they should be trusted by landlords to faithfully carry out the  
13 service when the applicant requests the report be provided to  
14 the landlord.

15       Accordingly, the purpose of this Act is to require  
16 residential landlords and their agents to accept comprehensive  
17 reusable tenant screening reports from applicants and establish  
18 remedies for a landlord's or agent's refusal to accept such  
19 reports.



1 SECTION 3. Chapter 521, Hawaii Revised Statutes, is  
2 amended by adding a new section to part VI to be appropriately  
3 designated and to read as follows:

4 "§521- Remedies for violations of comprehensive  
5 reusable tenant screening report obligations. If a landlord or  
6 landlord's agent refuses to accept a comprehensive reusable  
7 tenant screening report from an applicant in violation of  
8 section 521-46(a) (3):

- 9 (1) The landlord or landlord's agent shall be liable to  
10 the applicant for \$250 plus reasonable attorney's fees  
11 and costs;
- 12 (2) The landlord or landlord's agent shall be subject to a  
13 fine of no more than \$250 that may be assessed in an  
14 action brought by the applicant or in an action  
15 brought by the office of consumer protection; and
- 16 (3) The landlord or landlord's agent shall be subject to a  
17 fine of no more than \$500 if the landlord or  
18 landlord's agent has committed two or more prior  
19 violations of section 521-46(a) (3) within ten years of  
20 the instant violation, which may be assessed in an  
21 action brought by the office of consumer protection."



1 SECTION 4. Section 521-46, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "[+]§521-46[+] **Application screening fee[-]; comprehensive**  
4 **reusable tenant screening reports.** (a) When a landlord or the  
5 landlord's agent receives a request from an applicant to rent a  
6 dwelling unit, the landlord or [~~the~~] landlord's agent may charge  
7 the applicant an application screening fee at the time the  
8 application is processed for the dwelling unit to cover the  
9 costs of obtaining information about the applicant; provided  
10 that [a]:

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

15 (2) Before taking action relating to an application  
16 screening for which a landlord or landlord's agent  
17 would expect to collect an application screening fee,  
18 a landlord or landlord's agent shall disclose to an  
19 applicant that the applicant has the right to provide  
20 to the landlord or landlord's agent a comprehensive  
21 reusable tenant screening report; provided that the



1 disclosure shall be provided in a location and in a  
2 manner reasonably likely to reach applicants,  
3 including:

4 (A) In advertisements and other public notices of the  
5 dwelling unit's availability, displayed in at  
6 least twelve-point, boldface type, unless the  
7 size, format, or display requirements of the  
8 advertisements or other public notice make this  
9 requirement impracticable, in which case the font  
10 and size of the advertisement shall match the  
11 rest of the advertisement or other public notice;

12 (B) On the home page of a website maintained by the  
13 landlord or landlord's agent, including a  
14 property management company, displayed in at  
15 least twelve-point type;

16 (C) In a paper or an online rental application for  
17 the dwelling unit, displayed in at least twelve-  
18 point, boldface type; or

19 (D) Orally, directly to the applicant, with written  
20 confirmation of receipt by the applicant of the  
21 advisement;



- 1        (3) If a comprehensive reusable tenant screening report is  
2        made available to the landlord or landlord's agent at  
3        the request and expense of an applicant and is  
4        received within thirty days from the date the report  
5        was prepared, the landlord or landlord's agent shall  
6        not charge an application fee or a fee for the  
7        landlord or landlord's agent to access the report;  
8        provided that a landlord or landlord's agent may  
9        charge an application screening fee to obtain  
10       information not contained in the comprehensive  
11       reusable tenant screening report, but this fee shall  
12       not be used for updating the information in a  
13       comprehensive reusable tenant screening report  
14       received within thirty days from the date the report  
15       was prepared; and
- 16       (4) If a landlord or landlord's agent conducts their own  
17       screening of tenants using a comprehensive reusable  
18       tenant screening report, the landlord or landlord's  
19       agent may charge the applicant for the actual costs  
20       incurred in obtaining the report in circumstances  
21       where the comprehensive reusable tenant screening



1 report requires that the report be initiated by the  
2 landlord; provided that the applicant is notified in  
3 advance of the landlord's or landlord's agent's intent  
4 to conduct the screening or the applicant explicitly  
5 requests that the landlord or landlord's agent obtain  
6 the report on the applicant's behalf.

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

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

13 (1) [~~Receipt~~] A receipt for payment of the application  
14 screening fee; [~~and~~]

15 (2) [~~Breakdown~~] A breakdown of costs covered by the  
16 application screening fee[~~-~~]; and

17 (3) A certified copy of the applicant's criminal  
18 background check and credit report that are less than  
19 thirty days old.

20 (c) A landlord or the landlord's agent shall return to the  
21 applicant any amount of the application screening fee that is



1 not used for the purposes authorized by this section within  
2 thirty days after the landlord or landlord's agent has submitted  
3 screening requests.

4 (d) For the purposes of this section:

5 "Comprehensive reusable tenant screening report" means a  
6 consumer report that meets all of the following criteria:

7 (1) Was prepared within the previous thirty days by a  
8 consumer credit reporting agency;

9 (2) Is made directly available to a landlord for use in  
10 the rental application process or is provided through  
11 a third-party website that regularly engages in the  
12 business of providing comprehensive reusable tenant  
13 screening reports and complies with all federal and  
14 state laws pertaining to the use and disclosure of  
15 consumer reports, including the federal Fair Credit  
16 Reporting Act; and

17 (3) Includes all the following information regarding an  
18 applicant: name, contact information, verification of  
19 employment, last known address, criminal background  
20 check, and credit report.



1 "Consumer credit reporting agency" has the same meaning as  
2 in section 489P-2.

3 "Credit report" has the same meaning as in section 489P-2."

4 SECTION 5. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 6. This Act shall take effect on July 1, 3000.



**Report Title:**

Residential Landlord-Tenant Code; Application Screening;  
Comprehensive Reusable Tenant Screening Report; Damages; Fines;  
OCP; DCCA

**Description:**

Requires landlords or landlord's agents to accept comprehensive reusable tenant screening reports, if made available by an applicant, and prohibits application fees in such cases. Establishes remedies for refusing to accept those reports. Effective 7/1/3000. (HD1)

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