JAN 1 7 2024

A BILL FOR AN ACT

RELATING TO SECURITY DEPOSITS.

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

1	SECTION 1	. Chapter 521, Hawaii Revised Statutes, is
2	amended by add	ing a new section to part IV to be appropriately
3	designated and	to read as follows:
4	" <u>§521-</u>	Security deposit alternatives. Upon a tenant's
5	request, a lan	dlord that requires a security deposit as a
6	condition of a	rental agreement pursuant to section 521-44(b),
7	shall offer to	accept at least one of the following in lieu of
8	the required security deposit:	
9	(1) Rent	al security insurance; provided that:
10	<u>(A)</u>	The insurance provider is an approved carrier
11		licensed by, and in good standing with, the
12		insurance division of the department of commerce
13		and consumer affairs;
14	<u>(B)</u>	The coverage is effective upon the payment of the
15		first premium and remains effective for the
16		entire lease term; and

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1	(C) The coverage provided per claim is not less than		
2	the amount the landlord requires for a security		
3	deposit; or		
4	(2) Payment of the total security deposit over a series of		
5	not less than six equal monthly installments, which		
6	shall be due on the same day as the monthly rent		
7	payment and paid together with the monthly rent		
8	payment in a single transaction, absent a separate		
9	agreement by the landlord and tenant.		
10	Nothing in this section shall be construed as to limit any other		
11	provisions or requirements pursuant to section 521-44."		
12	SECTION 2. New statutory material is underscored.		
13	SECTION 3. This Act shall take effect upon its approval.		
14	K Alle		
	INTRODUCED BY:		

S.B. NO. 2126

Report Title:

Security Deposit Alternatives; Rental Security Insurance; Security Deposit Installments; Residential Landlord-Tenant Code

Description:

Requires a landlord to accept either rental security insurance or security deposit installment payments in lieu of a traditional security deposit, upon a tenant's request.

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