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

4           "§521- Application screening fee. (a) When a landlord  
5 or the landlord's agent receives a request from an applicant to  
6 rent residential property, the landlord or the landlord's agent  
7 may charge the applicant an application screening fee at the  
8 time the application is processed to cover the costs of  
9 obtaining information about the applicant.

10           (b) A landlord or the landlord's agent shall not charge an  
11 applicant an application screening fee when the landlord or  
12 landlord's agent knows or should have known that the rental unit  
13 is either unavailable at that time or will not become available  
14 within a reasonable period of time.

15           (c) The amount of the application screening fee shall not  
16 exceed \$25 per applicant.



1        (d) If an application screening fee has been paid by the  
 2 applicant and, if requested by the applicant, the landlord or  
 3 landlord's agent shall allow an applicant who is the subject of  
 4 a credit report obtained in the screening process to inspect a  
 5 copy of the credit report in person during normal business  
 6 hours.

7        (e) At the request of the applicant, the landlord or  
 8 landlord's agent shall waive subsequent application screening  
 9 fees for a period of up to three months after the date of the  
 10 original application if the same applicant applies to rent other  
 11 available residential properties that the landlord or landlord's  
 12 agent owns or manages.

13        (f) For the purposes of this section:

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

15        SECTION 2. Section 521-8, Hawaii Revised Statutes, is  
 16 amended by adding two new definitions to be appropriately  
 17 inserted and to read as follows:

18        "Applicant" means any person who makes a request to a  
 19 landlord or a landlord's agent to rent a dwelling unit, or any  
 20 person who agrees to act as a guarantor or cosignor for a person  
 21 making a request to rent a dwelling unit on a rental agreement.



1        "Application screening fee" means any nonrefundable payment  
 2 charged by a landlord or a landlord's agent to an applicant to  
 3 offset the cost of personal reference checks, tenant reports,  
 4 criminal background checks, employment history verification,  
 5 credit reports, and the reasonable value of time spent by the  
 6 landlord or the landlord's agent in obtaining information on the  
 7 applicant or otherwise processing an application for the rent or  
 8 lease of a dwelling unit."

9        SECTION 3. This Act does not affect the rights and duties  
 10 that matured, penalties that were incurred, and proceedings that  
 11 were begun before its effective date.

12        SECTION 4. New statutory material is underscored.

13        SECTION 5. This Act shall take effect on July 1, 2018;  
 14 provided that on June 30, 2022, this Act shall be repealed and  
 15 section 521-8, Hawaii Revised Statutes, shall be reenacted in  
 16 the form in which it read on June 30, 2018.

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INTRODUCED BY:

*T. Stahl*

*L. Rindelchinger*

JAN 18 2018



# H.B. NO. 1879

**Report Title:**

Residential Landlord-Tenant Code; Application Screening Fee

**Description:**

Establishes an application screening fee that a landlord may charge an applicant to obtain information about the applicant and establishes the applicant's right to review the credit report obtained by the landlord if the applicant paid the application screening fee.

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

