

Testimony Presented Before the House Committee on Higher Education Friday, February 9, 2012 at 2:10 p.m.

by
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HB 2628 H.D. 1 – RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE Chair Nishimoto, Vice Chair Nakashima and members of the Committee:

HB 2628 H.D. 1 amends Section 521-7, Hawai'i Revised Statutes to extend the exemption from the residential landlord-tenant code to residences in structures directly controlled and managed by: (1) any university or college in the State for the housing of students or faculty; and (2) certain private dorm management companies that provide housing to students.

The University of Hawai'i does not object to the passage of HB 2628 H.D. 1. The University would request consideration be given to deleting "private" as it appears on line 4 of page 2. The deletion would then extend the exemption relating to private dorm management companies offering a minimum of fifty beds to students of <u>any</u> colleges, universities, or other institutions of higher education, not just private institutions.

Thank you for allowing me to present testimony on behalf of the University of Hawai'i.

COMMITTEE ON HIGHER EDUCATION

Thursday, February 9, 2012 2:10 P.M.

Conference Room 309

RE: HOUSE BILL 2628 HD1 RELATING TO RESIDENTIAL LANDLORD TENANT CODE

Chair Rep. Scott Y. Nishimoto and Vice Chair Rep. Mark M. Nakashima

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My name is <u>Peter Savio</u>, and I represent <u>Hawaii Student Suites</u>, Inc., a private dorm management company. I support House Bill 2628 HD1 recommend changes:

- 1. Expand the University of Hawaii exemption to include other colleges and universities, such as Chaminade, Hawaii Pacific University, and BYU.
- 2. A change should be made to exempt private dorm management companies from the Landlord-Tenant Code.

There is a national movement today for private dorm management companies to build and operate student housing in conjunction with colleges and universities across the country. In Hawaii, we are seeing a growth in student population but also more and more students coming to Hawaii to attend our colleges and universities in English second language programs. These schools cannot meet the demand for housing. In Hawaii the existing exemption in the Landlord-Tenant Code is not broad enough. It exempts the University of Hawaii from the Landlord-Tenant Code but does not exempt other universities and colleges. The University of Hawaii was exempted because the Legislature realized a dorm could not operate in its unique market with the requirement of the Landlord-Tenant Code.

Now that private dorms have become the provider of student housing, they need the same exemption given to the University of Hawaii.

A dorm management company is in a unique market where students from various countries and backgrounds are put together with no assurance they can get along or live together. As managers, we need to be able to move and evict as needed. If students fight or threaten each other or use drugs, etc., we must act immediately.

RE: HOUSE BILL 2628 RELATING TO RESIDENTIAL LANDLORD-TENANT CODE

The students are protected by consumer protection and the ability to critique us on Facebook and the internet. If we are unreasonable or unfair, the entire world will know. If anything, the students do not need protection from the management company, but the management company needs protection from the students. That is a separate issue and not addressed by this bill. This is mentioned to drive home the fact that dorm management companies, as operators, have to be fair and reasonable to survive. But we also have to be able to respond to housing situations without the restriction of the Landlord-Tenant Code.

I support House Bill 2628 and encourage its passage.

Thank you for the opportunity to submit testimony.

COMMITTEE ON HIGHER EDUCATION

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RE: HOUSE BILL 2628 HD1 RELATING TO RESIDENTIAL LANDLORD TENANT CODE

Chair Rep. Scott Y. Nishimoto and Vice Chair Rep. Mark M. Nakashima

My name is <u>Juana Dahl</u>. I am the Chief Operating Officer for <u>Hawaii Student Suites</u>, Inc., a private dorm management company. I support the change proposed by House Bill 2628 that will exempt dorm management companies from the Landlord-Tenant Code just as the University of Hawaii was exempted.

Our disputes are usually not about landlord and tenant issues but student to student that we must resolve as the landlord. The present Landlord-Tenant Code makes it difficult to take immediate action when students who rent beds are placed together and find they are incompatible, and unable to live together. The reasons can include, but are not limited to the following: very different study or sleep habits, hygiene, room cleanliness/orderliness, room noise level, frequency and type of guests, frequency and level of alcohol consumption, behavioral conduct, parties, etc.

We need to be able to move quickly to solve problems before they escalate. We must be able to move students on a minute's notice if we determine it is in everyone's best interest. If, as a dorm/student housing operator, we are viewed as unresponsive to our student resident's needs, unable to act quickly, unfair, or heavy-handed, we are creating a negative image of our mission which is to provide our students excellent customer service while ensuring they are living in a clean, safe, and enjoyable environment. We work to mirror what they would experience were they living in traditional student housing on any college campus.

I encourage the passage of House Bill 2628 HD1.

Thank you for the opportunity to speak. I encourage you to pass House Bill 2628 HD1 with the change recommended.

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RE: HOUSE BILL 2628 HD1 RELATING TO RESIDENTIAL LANDLORD-TENANT CODE

Chair Rep. Scott Y. Nishimoto and Vice Chair Rep. Mark M. Nakashima

My name is <u>Justin Stern</u>. I am the Director of Residential Life for <u>Hawaii Student Suites</u>, Inc., a private dorm management company.

I support House Bill 2628 which exempts private dorm management companies from the Landlord-Tenant Code.

I started as a Hall Director for student housing at the University of Hawaii, and we had the needed exemption from the Landlord-Tenant Code. We were able to take immediate action to correct and resolve all issues with students and parents where the student is leasing a bed and finds himself with a roommate who is unacceptable. At the University of Hawaii we could take swift and decisive action when necessary.

Now that I work for a private off-campus dorm/student housing management company, we are saddled with the requirement of the Landlord-Tenant Code. It makes taking immediate action difficult. Most of our disputes are between students, not between the landlord and student. But as the operator of the dorm, it falls on us to solve the student to student issues.

A Change in the law will put us on a level playing field with the University of Hawaii and other mainland institutions.

I support the change to expand. I also support the change to 50 beds for private dorm management companies.

Thank you for allowing me to present my testimony. I support the change in the Landlord-Tenant Code.