



UNIVERSITY OF HAWAII SYSTEM
Legislative Testimony

Written Testimony Submitted to the
House Committee on Judiciary
March 1, 2012 at 2:05 p.m.

by
Howard Todo
Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i

HB 2628 HD2 – RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE

Chair Keith-Agaran, Vice Chair Rhoads and members of the Committee:

HB 2628 HD2 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 HD2, in its present form, to include extending the exemption for student housing managed by any university or college or a private dorm management company.

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



Chaminade University
OF HONOLULU

Testimony Presented to the
House Judiciary Committee

Thursday, March 1, 2012 at 2:05PM

by
Chaminade University of Honolulu President
Bro. Bernard J. Ploeger, SM, Ph.D.

HB 2628, HD2
Relating to the Residential Landlord-Tenant Code

Chair Keith-Agaran, Vice Chair Rhoads and members of the Committee:

Thank you for the opportunity to provide testimony in **support** of HB 2628 HD2 extending the exemption from the residential landlord-tenant code to all universities in the state of Hawai`i, not just to the University of Hawai`i.

HB 2628 HD2 amends Section 521-7 Hawai`i Revised Statutes to exempt residences in structures controlled and managed by any university or college in Hawai`i that houses students or faculty from the provisions of the Landlord-Tenant Code. Universities or colleges operating housing on behalf of their students are clearly distinct from general landlord and tenant relationships.

Chaminade University of Honolulu supports the intent of the legislation to extend the exemption allowed to the University of Hawai`i to all universities and colleges in the state of Hawai`i. Thank you for allowing us to submit this testimony.

Bro Bernard J Ploeger, SM

Testimony to the House Committee on Judiciary
Thursday, March 1, 2012
2:05 p.m.
Conference Room 325

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

Chair Keith-Agaran, Vice Chair Rhoads and Members of the Committee:

My name is Peter Savio, and I represent Hawaii Student Suites, Inc., a private dorm management company. I support House Bill 2628 with the following 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.

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

Chair Keith-Agaran, Vice Chair Rhoads and Members of the Committee:

My name is Justin Stern. I am the Director of Student Life for Hawaii Student Suites, 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 manager for a dorm 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 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.

You may want to expand the exemption for the University of Hawaii to include other schools of higher learning such as Chaminade and Hawaii Pacific University.

Also the requirement of 600 beds may be too high for some private dorm operators. A lower number of 100 or 200 beds might be more appropriate and all inclusive.

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

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

Chair Keith-Agaran, Vice Chair Rhoads and Members of the Committee:

My name is Juana Dahl. I am the Chief Operating Officer of Hawaii Student Suites, 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 are incompatible or for a myriad of reasons cannot live together. It could be different study habits, hygiene, drugs, drinking, parties, etc.

The students are protected by consumer protection and the internet. If, as a dorm operator, we are unfair or heavy-handed, the students will go to the internet and create a negative image for us when we try to attract new students. We need to be able to move quickly to solve problems before they escalate. We need to be able to move students on a minute's notice if we determine it is in everyone's best interest.

I encourage the passage of House Bill 2628 and also request you exempt schools that also provide dorms – Hawaii Pacific University, Chaminade, and BYU. The University of Hawaii's exemption should also be expanded to cover other colleges and universities. This change would be in addition to the change allowing an exemption for private dorms.

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