## GRASSROOT INSTITUTE OF HAWAII

1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

**Removing barriers to Hawaii's prosperity** 

April 16, 2025, 10:30 a.m. Hawaii State Capitol Conference Room 430 and Videoconference

To: House Committee on Housing Rep. Luke A. Evslin, Chair Rep. Tyson K. Miyake, Vice Chair

From: Grassroot Institute of Hawaii Ted Kefalas, Director of Strategic Campaigns

RE: SCR48 SD1 — REQUESTING THE OFFICE OF THE GOVERNOR, STATE BUILDING CODE COUNCIL, BUILDING DEPARTMENTS OF EACH COUNTY, MAYORS OF EACH COUNTY, AND CHAIRS OF THE SENATE AND HOUSE OF REPRESENTATIVES STANDING COMMITTEES ON HOUSING TO DEVELOP A COMPREHENSIVE STRATEGY FOR ADOPTING UPDATED BUILDING CODES

Aloha Chair Evslin, Vice Chair Miyake and other members of the Committee,

The Grassroot Institute of Hawaii **supports** <u>SCR48 SD1</u> which seeks the cooperation of state and country stakeholders in developing a comprehensive strategy for adopting updated building codes.

Hawaii's convoluted building code adoption process contributes to uncertainty, delays and higher building costs. Reforming that process is a necessary step in addressing the state's housing crisis.

State law currently requires the State Building Code Council to adopt every iteration of the International Building Code and related codes within two years of their release; the counties have an additional two years to adopt and make their amendments to the state code.

However, the Council and counties often struggle to meet these deadlines. For example, it was only in April 2021 that the State Building Code Council adopted the 2018 Interim Building Code,<sup>1</sup> and not until early 2023 that Honolulu fully adopted those amendments.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> "<u>State Building Code Adoption</u>," State Building Code Council, April 20, 2021, p. 1.

<sup>&</sup>lt;sup>2</sup> "Interim Building Code (2018 IBC) Takes Effect," Honolulu Department of Planning and Permitting, April 20, 2023.

Because of this staggered adoption process, county building officials, builders and architects must constantly re-learn the building code's requirements. For builders, this means navigating as many as four different codes, which takes time and training, increasing administrative costs.

The almost-constant nature of the building code updates also stresses already understaffed county planning and permitting departments and can exacerbate permitting delays, which research shows can affect the price of housing.<sup>3</sup>

As measured by the state's Honolulu Construction Cost Index, the cost for single-family homes in 2024 was 2.6 times higher than the cost in 2020. For highrises, the cost was 2.5 times higher.<sup>4</sup>

The state's strict land-use, zoning and permitting rules are a key driver of these costs. The Economic Research Organization at the University of Hawai'i has estimated that regulations comprise 58% of the cost of new condominium construction.<sup>5</sup>

Hawaii lawmakers should prioritize the creation of a streamlined and simplified building code for our state and put an end to the broken process that contributes to our high housing costs.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii

<sup>&</sup>lt;sup>3</sup> Paul Emrath, "<u>How Government Regulation Affects the Price of a New Home</u>," National Association of Homebuilders, Economics and Housing Policy Group, 2011, p. 5; and Adam Millsap, Samuel Staley and Vittorio Nastasi, "<u>Assessing the Effects of Local Impact</u> <u>Fees and Land-use Regulations on Workforce Housing in Florida</u>," James Madison Institute, Dec. 11, 2018, p. 19.

<sup>&</sup>lt;sup>4</sup> "Quarterly Statistical and Economic Report, 4th Quarter 2024," Hawaii Department of Business, Economic Development & Tourism, pp. 107-108.

<sup>&</sup>lt;sup>5</sup> Justin Tyndall and Emi Kim, "<u>Why are Condominiums so Expensive in Hawai'i?</u>", The Economic Research Organization at the University of Hawai'i, May 2024, p. 11.



April 15, 2025

- TO: Honorable Luke A. Evslin, HSG Chair Honorable Tyson K. Miyake, HSG Vice Chair Honorable Elle Cochran, HSG committee member Honorable Tina Nakada Grandinetti, HSG committee member Honorable Darius K. Kila, HSG committee member Honorable Lisa Kitagawa, HSG committee member Honorable Trish La Chica, HSG committee member Honorable Christopher L. Muraoka, HSG committee member Honorable Elijah Pierick, HSG committee member House Committee on Housing (HSG)
- FROM: American Institute of Architects, Hawaii State Council Legislative Advocacy Committee

## SUBJECT: SCR 48

Dear Chairs, Vice-Chairs and Members of the Committees,

The American Institute of Architects (AIA) Hawaii State Council and the AIA Legislative Advocacy Committee (LAC) are writing to express our **opposition** to SCR48, which seeks to address issues related to the State Building Code. While we support the goal of ensuring safe, up-to-date, and effective building regulations, we believe this resolution is unnecessary if the State Building Code Council (SBCC) is allowed to meet and function as intended.

Since the Governor's emergency proclamation on affordable housing in the summer of 2023, the SBCC has been unable to meet or fulfill its duties. The inability of this critical body to convene has stalled essential work on building code updates, which are vital for public safety, resiliency, and the orderly development of housing and infrastructure across Hawai'i. Rather than pursuing resolutions that circumvent the council's intended role, the priority should be to reinstate and adequately fund the SBCC so that it can resume its mandate effectively.

The SBCC was established to provide an informed, collaborative process for adopting and updating building codes, ensuring consistency across jurisdictions while incorporating best practices. The suspension of its operations has created uncertainty for industry professionals, developers, and the public. If the SBCC were allowed to function as designed, it would be the appropriate entity to address the concerns outlined in this resolution.

For these reasons, we respectfully urge this committee to focus on reinstating and funding the SBCC rather than advancing SCR48. We appreciate your time and consideration on this matter and welcome any opportunity to further discuss how we can work together to strengthen Hawai'i's building codes and regulatory framework.

Sincerely, American Institute of Architects, Hawaii State Council Legislative Advocacy Committee

The American Institute of Architects AIA Hawaii State Council 828 Fort Street Mall, Suite 100 Honolulu, HI 96813 T (808) 628-7243 contact@aiahonolulu.org aiahonolulu.org/AIAHawaiiStateCouncil



## HAWAII STATE HOUSE OF REPRESENTATIVES COMMITTEE ON HOUSING Conference Room 430 & Videoconference State Capitol 10:30 AM

APRIL 16, 2025

Subject: SCR 48 - REQUESTING THE OFFICE OF THE GOVERNOR, STATE BUILDING CODE COUNCIL, BUILDING DEPARTMENTS OF EACH COUNTY, MAYORS OF EACH COUNTY, AND CHAIRS OF THE SENATE AND HOUSE OF REPRESENTATIVES STANDING COMMITTEES ON HOUSING TO DEVELOP A COMPREHENSIVE STRATEGY FOR ADOPTING UPDATED BUILDING CODES.

Chair Evslin, Vice Chair Miyake, and members of the Committee:

My name is Geena Thielen, Codes Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in support of SCR 48, with suggested amendments. This resolution calls for a collaborative and comprehensive strategy for adopting updated building codes across the state.

As industry stakeholders, we recognize the importance of building codes in ensuring the safety, resilience, and sustainability of our communities. However, the current approach to code adoption in Hawai'i is too often inefficient and inconsistent across jurisdictions. This lack of coordination leads to confusion, increased costs, and project delays, all of which contribute to the high cost of housing in Hawaii.

While we understand that previous attempts to slow down the code adoption process have been met with trepidation by the Legislature and other stakeholders, we encourage discussion under SCR 48, and suggest that it include meaningful input from industry professionals who work directly with these codes and understand their practical impacts. With a seat at the table, BIA-Hawaii and our members can contribute real-world insight to help shape a balanced and effective approach.

We suggest adding two "whereas" sections to the Resolution:

WHEREAS, the State Building Code Council and the county-level building and planning departments have struggled to meet the timelines called for in State Law; and

WHEREAS, the current process does not seem to be working as intended when the State Building Code Council was created; and

We further suggest adding this line to the "Be it further resolved" section of the Resolution so that it reads as follows (addition is highlighted):

BE IT FURTHER RESOLVED that the comprehensive strategy is requested to be formulated through stakeholder engagement and address the feasibility of compliance with updated codes as well as their impact on housing affordability and the permitting process; and

As the Committee is aware, Hawaii is in a severe housing crisis. The current median sale price on a single family home in the state of Hawaii as of January 2025 was **\$1,005,000**. BIA Hawaii is committed to supporting efforts that work toward lowering housing costs in Hawaii.

We appreciate the opportunity to provide our comments on this matter.